

The Advantages and Challenges of The Accession of The Republic of Moldova to The European Union

¹Viorica URSU, ²Daniel URSU, ³Diana MOROȘAN

¹University lecturer, Department of Engineering, Law and Property Evaluation, Faculty of Construction, Geodesy and Cadastre, Technical University of Moldova, Chișinău, Republic of Moldova

²Department of Engineering, Law and Real Estate Evaluation, Group DIC-2205M, Faculty of Construction, Geodesy and Cadastre, Technical University of Moldova, Chișinău, Republic of Moldova

³Department of Engineering, Law and Property Evaluation, Group D-2106, Faculty of Construction, Geodesy and Cadastre, Technical University of Moldova, Chișinău, Republic of Moldova

Received 29-01-2024

Revised 31-01-2024

Accepted 16-02-2024

Published 18-02-2024



Copyright : © 2024 The Authors. Published by Publisher. This is an open access article under the CC BY-NC-ND license (<https://creativecommons.org/licenses/by-nc-nd/4.0/>).

Abstract:

The Republic of Moldova is at a crucial moment in its history, exploring the possibility of joining the European Union (EU). The accession process is a complex one, involving the fulfillment of economic, political and legislative criteria. This also includes reforms in the areas of justice, human rights, the fight against corruption and alignment with European standards. This process involves numerous advantages and challenges, which must be carefully examined to understand the potential impact of the European integration on the country.

In this context, in this article, we will analyze the main positive and negative aspects that define the perspective of the Republic of Moldova in its relationship with the European Union.

Key words: Accession, Advantages Of Accession, Challenges Of Accession, Internal Market, European Standards, Reforms, Freedom Of Movement, Competition.

Introduction:

On March 3, 2022, the Republic of Moldova submitted an official application for accession to the European Union. After several evaluations, on June 17, 2022, the European Commission issued its favorable opinion on the application for membership.

On June 23, 2022, the European Council granted the Republic of Moldova, the status of a candidate country, marking a significant step in the direction of European integration. This decision was supported and reinforced on March 23, 2023, when the European Council reiterated the European Union's commitment to support the Republic of Moldova in strengthening its resilience, security, stability and economy on its way to EU accession. In November 2023, the European Commission issued a favorable recommendation for the start of accession negotiations with the Republic of

Moldova. This recommendation was followed by a significant decision by EU leaders in December 2023, when they decided to formally open accession negotiations and invited the Council to adopt the negotiating framework, given the significant progress made by the Republic of Moldova.

However, in conclusions adopted in December 2023, the European Council underlined the need for sustainable and significant progress on key reforms such as the rule of law, justice and fundamental rights. These aspects are crucial for the continuous progress of the Republic of Moldova on the accession path, especially in the context of regional tensions and hybrid challenges.

The Council recognized the clear commitment of the Republic of Moldova to the reform and

encouraged the continuation of this process, especially with regard to the deep reform of justice and the strengthening of anti-corruption institutions, economic reforms and integration into the EU internal market for the advancement of the economic sectors and financial, strengthening public administration and alignment with the EU's common foreign and security policy.

These stages represent important pillars on its way to joining the European Union.

Research results:

The integration of the Republic of Moldova into the European Union has been discussed in the Republic of Moldova, almost immediately, since the country gained its independence. Since then, a full and controversial subject has been with reference to the advantages and disadvantages of the integration.

The integration of the Republic of Moldova into the European Union was the main theme on which the pro-European political parties in the country based their speeches. Periodically organized polls show that people have been convinced a lot of the advantages of the integration. The same can be said about the results obtained by those who fought this idea (HOLOLEI H, 2009 p, 85).

The following are among the main advantages of joining the EU:

- *Access to the internal market.* By joining the EU, the Republic of Moldova would gain access to a single market of over 450 million consumers, facilitating exports and economic growth, diversifying the economic sector and facilitating integration into regional production chains. Introducing a more open trading environment and aligning with European rules could attract investment and promote innovation. The integration into European economic structures also offers the Republic of Moldova the chance to benefit from a more efficient division of labor at the European and global level.
- *Funds and financial assistance.* European funding is essential for the implementation of reforms and the modernization of the RM infrastructure. However, it is crucial that these funds are managed effectively and lead to concrete results to maximize benefits.
- *European standards.* The adoption of European standards would improve the quality of products and services, offering consumers increased protection and boosting competitiveness. At the same time, it would strengthen the rule of law and encourage the sustainable development.
- *Free movement.* Opening up to freedom of movement within the EU would bring significant social and economic benefits. The possibility for young professionals to travel and work in other Member States would contribute to the exchange of knowledge and the diversification of skills.
- Free movement is also important from the point of view of interaction with various cultures, with European civilization. The liberalization of the visa regime with the European Union has already become a reality, and today Moldovan citizens no longer need a visa to travel to Europe. This means seeing family members who have been working for many years in the countries of the European Union. Trips to Europe open up new horizons, new perspectives for the development and realization of discoveries, especially for the young generation (GH., 2015 p, 382).
- *Security and stability.* By integrating into the European structures, the Republic of Moldova would benefit from solidarity and cooperation in security matters. This would enhance regional stability and strengthen crisis management capabilities.
- With reference to the subject, it should be mentioned that the most important achievement of the Republic of Moldova in 2014 was the signing of the Association Agreement with the European Union and the free trade area. The Association Agreement was signed in difficult conditions in the European Union: the crisis of the euro zone, the depreciation of the euro currency compared to the dollar, but also for the Republic of Moldova: the commercial restrictions of the Russian Federation, the difficult regional context, etc.

This achievement can be analyzed as an advantage of the Republic of Moldova's accession to the European Union from the following perspectives:

- *diversification of export markets.* The signing of the Association Agreement and the free trade zone in 2014 allowed the Republic of Moldova to diversify its export markets, reducing dependence on certain commercial partnerships. This provided greater economic resilience to fluctuations or constraints in certain regions.
- *convergence with European standards.* The Association Agreement required the adoption of European standards and regulations in various national fields.
- *support in difficult times.* The signing of the Association Agreement, despite the difficult conditions for both the Republic of Moldova and the EU, highlighted a mutual commitment. In the context of economic and geopolitical crises, this mutual support strengthened the relations and helped overcome the challenges.

Therefore, the signing of the Association Agreement and the free trade zone represents a significant achievement for the Republic of Moldova, bringing with it potential benefits in the context of European integration.

In the scientific paper “The Republic of Moldova and the European Union: from cooperation to integration (2011-2012)” (BUCĂȚARU V, 2012 p, 85), the author Bucățaru V. also identified other advantages, such as:

- *The continuation and amplification of stable relations over time with European countries.* The development and strengthening of relations over time with European countries brings stability and trust. This continuous collaboration can facilitate the exchange of resources, experiences and best practices, contributing to the strengthening of partnerships and the promotion of a climate of sustainable collaboration in diplomatic and economic terms.
- *The consolidation of the political-democratic system and stabilization of the country.* Accession to the European Union can contribute significantly to the consolidation of democratic values and to the stabilization of the political system in the Republic of Moldova. European requirements and standards in the field of democracy and human rights can act as

catalysts for domestic reforms, supporting the development of strong democratic institutions and promoting stability in the country.

Thus, the author Bucățaru V. (BUCĂȚARU V, 2012 p, 85) specifies this last advantage that, joining the European Union leads to the following situations:

- ✓ *stimulation of economic-social activity based on economic, technical - scientific, management and ecological rationality;*
- ✓ *the increase of foreign investments;*
- ✓ *the increase of foreign trade and its efficiency;*
- ✓ *reducing the costs of commercial transactions;*
- ✓ *benefiting from substantial funds to reduce the discrepancy;*
- ✓ *the relaunch of the research-development activity and the introduction of new technologies;*
- ✓ *stabilizing prices on the domestic market and controlling inflation;*
- ✓ *improving the financial banking system;*
- ✓ *strengthening the position and image of the Republic of Moldova on the international market, due to its membership in an important economic block, such as the European Union;*
- ✓ *increased possibilities to find a job through access to the community labor market;*
- ✓ *The consumers will benefit from quality products and services at stable prices, will live in a cleaner, healthier environment and will have a standard of living close to that of the community.*

It is important to emphasize that, although the advantages are significant, the EU accession also brings challenges, and success depends on the country's continued commitment and efforts to implement the necessary reforms.

Among the possible challenges of the EU accession process, we can identify the following:

- *membership costs.* The process of aligning with EU standards and regulations may involve significant costs for implementing the necessary reforms, such as adjusting legislation and upgrading infrastructure.
- It can be about the public costs, which will be covered by the state budget, private costs, which will be borne by businesses,

companies, economic agents, but also individual costs. The latter will be paid by each citizen for various reforms (LUPUȘOR A, 2015 p, 74).

- *increased competition.* In the context of access to the internal market, Moldovan companies should compete more directly with those from the EU countries. This can be a challenge for small and medium-sized businesses, which may struggle to keep up with the competition.
- Ghica L.A also writes about this challenge. In the work “Romania and the European Union: a chronological history”, namely “it is important to be aware of the fact that the general economic advantage also assumes certain competitive pressures of the single competition market which has to compete fiercely with the companies from the developed member state; to consider the need for technological transformations, which can lead, in the short term, to an increase in unemployment, together with the restructuring of companies and some entire industrial sectors. Also, with the acquisition of access to the open market, the competition between national and foreign companies will increase. Small companies could not face this competition, even if the free movement of goods, services and capital are the basic elements of the European Union, which stimulate competitiveness in the business environment. Only for this reason, we consider that the business environment of the Republic of Moldova must be prepared for this chapter, and the state can stimulate this preparation by providing financial support in the development process of the business environment (GHICA L.A, 2016 p, 253).
- *the increase in prices.* The citizens have also identified, participating in sociological surveys, that the main disadvantage of the integration of the Republic of Moldova into the European Union would be the increase in prices. Almost half of the population would believe this (LUPUȘOR A, 2015 p, 74). Rising prices can be a challenge for certain segments of the population and for

economic sectors which are more sensitive to cost changes.

- This can happen for several reasons:
- *economic convergence* - The process of integration into the European market can lead to a convergence of prices with those of EU member states. This alignment may drive up prices to match higher standards and living standards in the EU.
- *adoption of European standards* - European requirements and standards in terms of products and services may determine an adjustment of prices to correspond to the quality and norms imposed by the European Union. This can directly affect the production costs, underlying the consumer prices.
- *increased competition* - With access to the European market, competition may become more intense. Moldovan companies could be exposed to increased competition from European producers, which could impose the need to increase efficiency and implicitly prices.
- *social and cultural adjustments.* The changes associated with EU accession could generate social anxiety and the need for adaptation, as certain traditional practices and customs may be affected or modified in the process of aligning with European standards.
- *economic dependence.* Increasing interconnectivity with the EU may bring greater economic dependence on the developments in this region, which may expose the Republic of Moldova to vulnerabilities in the event of major economic changes.
- *the complexity of the integration process.* Accession to the EU involves a long and complex process of reforms in various fields. Difficulties in implementing these changes can lead to delays in the accession process and generate frustration among the population.
- *diminishing sovereignty.* Another negative aspect of the integration will be reflected by the diminished sovereignty and the affecting of the traditional areas of competence that the states assume, and this, of course, also

has implications for on the positions to which the state adheres in its external policies (JUC V, 2016 p, 7).

The risk of antagonizing Russia is one of the most serious external obstacles to the European integration. As some authors consider, such as C. Guicherd, with whom we agree, "*The imperial historical experience of national construction and the current aspirations to restore the status of a great power, make Russia to be and to remain in the future, tempted by interference in the affairs of newly independent states and thus, to limit their independence and sovereignty*" (Catherine Guicherd Graduate Institute Publications, 2001, p 75).

And in addition to the ones analyzed above, we can also mention the following challenges analyzed by the doctrinaires Stratulat S. and Buruiian A.:

- Restructuring of industry and agriculture, the introduction of new standards of efficiency and quality, will lead to bankruptcy, determining the increase in unemployment;
- Lowering the degree of protection of national production by reducing the tax level: agricultural, industrial products, etc.;
- Depreciation of lei;
- Profit tax reduction, VAT exemption;
- The loss of some production factors (the workforce will tend to move to countries with higher efficiency);
- The difficult promotion of the national interest;
- The increase in prices and tariffs in the first stage after accession;
- The budgetary costs will be determined by the requirements of the co-financier of the Republic of Moldova of the projects with community support and the financial obligations that will result from the quality of the member (STRATULAT D., BURUIAN A, 2005 p, 854).

However, these challenges are not absolutely necessary and can be effectively managed through proper planning and implementation of reforms. Each challenge can be addressed through appropriate public policies and citizen participation in the decision-making process.

Conclusions:

European integration is seen as the best transformation in the Republic of Moldova from

several perspectives. Joining the European Union brings significant economic opportunities, opening the door to a vast market, facilitating trade and attracting investment. This can generate economic growth, create jobs and improve the living standards.

A European future is essential for the vast majority of citizens of the Republic of Moldova for several reasons. First, it brings the promise of better economic opportunities, including higher wages and improved living conditions. Also, joining the EU opens up the possibility of freedom of movement and residence in member countries, offering new perspectives for studies, work and cultural exchanges. In addition, European values such as democracy, human rights and the rule of law are considered fundamental and European integration can contribute to the consolidation of these principles in Moldovan society.

Thus, the European future of the Republic of Moldova is perceived as a path to a more prosperous, safer life and more aligned with fundamental values.

References:

1. BUCĂȚARU V., Republica Moldova și Uniunea Europeană: de la cooperare la integrare (2011-2012). Chișinău: Association for Foreign Policy, 2012;
2. CĂLDARE,GH. Problems and priorities in the collaboration of the Republic of Moldova with the European Union at the current stage. In: Political science and society in change: Mat. Conf. St. International dedicated to the 20th anniversary of the Faculty of International Relations, Political and Administrative Sciences, November 13. 2015. Chișinău: CEP MSU, 2015, p. 377-386;
3. GHICA L.A., România și Uniunea Europeană: o istorie cronologică. București: Meronia, 2016. 253 p.;
4. HOLOLEI H., Estonia's Preparation for Accession to the European Union 1995–2004: The Domestic Co-ordination System. În: Estonia's Way into the European Union. Tallinn: Estonian Ministry of Foreign Affairs, 2009, p. 90-98;
5. JUC V., Integrarea europeană - dimensiune a interesului național al Republicii

- Moldova. În: Republica Moldova și Uniunea Europeană: dimensiunile cooperării. Chișinău: S.n. (Typography - Sirius), 2016, p.4-35;
6. L'Étude comparative des documents pastoraux des évêques français, allemands et américains sur la guerre et la paix Catherine Guicherd Graduate Institute Publications, 2001;
 7. LUPUȘOR A., et.al State of the country report. Republic of Moldova 2015. Chișinău: Expert Grup, 2015. 48 p.;
 8. STRATULAT D., BURUIAN A. Unele aspecte privind procesele de integrare europeană. In: Law and Life, 2005, nr. 9, p. 37-43.