

Points for the EUSR Kalman Mizsei
Permanent Council of OSCE

ENGLISH only

Your Excellencies,

I am very pleased to address the honorable Council and discuss about the Transnistrian negotiation process as well as about the Republic of Moldova.

5+2

Today's meeting comes in a very opportune moment since I have just come to Vienna from Moldova where I participated in the 3+2 visit. Also, the active political moves around this conflict this last Spring adds to the importance of this file for you. And indeed, of all the conflicts in the continent this should be the easiest to solve. I am pleased to note the excellent working atmosphere during our trip to Moldova. During the meetings authorities in Chisinau and in Tiraspol showed great openness and readiness for deep and comprehensive discussions. They re-confirmed commitments taken in previous meetings this year and agreed to slowly and constructively move forward with the discussions on the file.

The first opportunity in this sense will be already next week here in Vienna where on 27-28 September the next informal "5+2" meeting is scheduled to take place. I hope that this meeting will enable us to move closer to the objective of restarting the formal negotiations in the "5+2" format during this year as agreed by all participants in the negotiation format and confirmed by relevant statements after previous informal "5+2" meetings.

I would like to use this opportunity and thank the Chairmanship-in-Office and the OSCE Mission in Chisinau for the excellent work and the numerous efforts, enabling the latest 3+2 visit to Moldova but also the constant informal meetings in the "5+2" format and preparation of the ground for resumption of formal negotiations during this year.

I want to clearly underline that the European Union remains firmly determined to contribute to the search for a political settlement based on the sovereignty and territorial integrity of the Republic of Moldova. Therefore, I appeal for a speedy and unconditional resumption of the formal negotiations between the parties in the “5+2” format, the only framework that will make it possible to guarantee the transparency and legitimacy necessary for the negotiation of a lasting solution.

The launch of formal negotiations in the “5+2” format will show the clear commitment of all participants for dialogue and cooperation in identifying a comprehensive, long lasting solution to the conflict. It will anchor the parties into the process and will ensure its continuity regardless of internal political processes on both banks of Nistru River. It will create also the necessary platform for identifying proper solutions to pending issues which require courageous political decisions. Please allow me to compare the settlement process to the challenging and demanding endeavor of building a house. No house can withstand without solid foundations. The launch of official negotiations in the “5+2” format represent exactly the necessary foundation on which we can lay the bricks of Transnistrian settlement process. The Transnistrian side so far is not showing willingness, arguing that first the Moldovans have to guarantee certain things. But exactly that has to be discussed in the only negotiating format that exists for the Transnistrian conflict – in the 5+2 format. We are convinced that it is in the best interest of the region to immediately capitalize on the positive atmosphere that has been created this year and engage in official talks.

Here I would like also to emphasize that if a comprehensive political agreement were reached, the EU would give very serious thought to the most appropriate manner of supporting its implementation on the ground. I believe that the formal and not too practical division between negotiators and observers, although not officially, in practice has faded away and we all see each other as equal partners in this process.

I welcome the recent Meseberg memorandum which gave a new momentum to the settlement process. It encourages all parties in the 3+2 format to pursue the unconditional resumption of

formal “5+2” negotiations as soon as possible. I am convinced that with joint efforts we will be successful with this effort.

The resolution of frozen conflicts in the OSCE area represents a priority for all participating States in order to strengthen security in Europe. Resumption of official negotiations in the “5+2” format by the upcoming OSCE summit would represent a success for the organization and for Europe as a whole. I am confident that this goal is realistic and should be assumed by all participants to the process without any preconditions. Any encouragement of unconstructive behavior of participants to the process is regrettable and does not bring closer the parties but on contrary further expands the precipice between sides. The European Union emphasizes that this is the conflict that is relatively the easiest to solve on our continent in case the partners in the 5+2 format all make a genuine and honest effort towards an equitable, balanced solution.

I would like to highlight my full support for the open arms policy of the Government of Moldova vis-à-vis the authorities in Tiraspol. In this context of creating positive atmosphere the European Union decided in February to suspend temporarily the visa restrictions on certain Transnistrian officials while awaiting progress on the part of Tiraspol in respect of personal mobility, the status of latin-script teaching institutions in Transnistria and the resumption of negotiations in the “5+2” format. While some progress was registered there is still room for more and I always encourage the parties concerned to continue their efforts in this regard.

Important progress has been achieved this year in the Confidence Building Process. The CBM working groups resumed their work and the first concrete results have started to appear *inter alia* in the social and healthcare area. Also the long-awaited resumption of railway traffic through Transnistria may become soon a reality as the Chisinau-Odessa train is planned to start running again through the region from October 1. The recent decision of Moldova’s government to allow direct exports of goods via the Transnistrian region using the railway represents an important step forward. After the technical issues would be solved for its implementation this decision will hopefully bring important support for business communities on both banks of Nistru River and to the reintegration process as a whole.

By supporting the confidence building process I can not be quite about some developments in recent months in Transnistria and, in particular, some intimidation of civil society and the frequent incidents at checking points. We are following in particular the detention of Vardanyan and Cazac, the still unsolved problems around Latin-script schools and incidents at the opening of the school year and the actions that hampered the organization of electoral process in Corjova village. I would like to use this opportunity and thank the OSCE Mission actions in the case of Vardanyan and Cazac and to appeal once more for full respect for basic rights and fundamental freedoms in the region. It is important that the other partners in the 3+2 also show the same sensitivity towards various aspects of human rights and use their leverage to bring us closer to constructive behavior of all.

The inflammatory rhetoric used sometimes by some Transnistrian politicians does not contribute positively to the process and hinder the confidence between parties. All these increase only the tensions and hamper the positive dynamics of the settlement process registered from the beginning of the year.

TN internal developments

The internal political environment in Transnistria is dominated by the upcoming so-called Parliament elections due in December and so-called presidential elections due in a little more than one year from now. After the “truce” agreed last November both camps - “Renewal” party and pro-Smirnov movement - are regrouping their forces and supporters. It seems that the “Renewal” party may keep its majority in the Supreme Soviet in December.

Transnistria was heavily hit by the global economic crisis. The exports from the region registered a sharp decrease in 2009. This year a low recovery is observed however the economy of the region remains extremely fragile and it is expected to face a huge budget deficit next year. So far half of the expenditures are not covered and the by far largest company of the region is in complete standstill. Responsible behavior towards this grave crisis requires that the settlement process should accelerate so that Transnistria can start integrating within its region.

EUBAM

The past five years evidenced that launching the EU Border Assistance Mission (EUBAM) to Moldova and Ukraine was politically well founded and technically effectively implemented joint enterprise. The technical, advisory nature of EUBAM cooperation, its transparency, neutrality and reliability ensure international acknowledgement of all participants. The achievements on upgraded border management at the Ukrainian-Moldovan state border brought mutual benefits to all participating partners in terms of regional security, observance of rule of law and approximation with the European standards. The EUBAM cooperation complements our joint political efforts towards the Transnistrian conflict settlement that is still a great political challenge for all of us.

EU-Moldova relations

The EU attaches particular importance to its relations with the Republic of Moldova. I can reaffirm the EU's commitment to deepen and strengthen its political association and its economic integration with Moldova, *inter alia* within the framework of the Eastern Partnership. I warmly welcome the launching last January of negotiations with a view to the signature of a new association agreement between the EU and Moldova, including of a deep and comprehensive free-trade area. The first rounds of negotiations were very successful and progress was achieved in many areas. I commend our Moldovan partners who approach this process with the appropriate governmental attention and make possible a very dynamic negotiation process.

The EU-Moldova Co-operation Council meeting in Luxembourg on 15 June reaffirmed the quality of EU relations with Moldova. It was the occasion, in particular, for launching a dialogue on the liberalization of visa regime. The first evaluation missions in this regard were successfully conducted in Moldova in first half of September.

Internal developments in Moldova

Facing a complicated internal and external environment, Moldova's politicians managed to ensure internal stability of the country and to successfully address the challenges of the global economic crisis. The coalition government made overall positive steps forward towards ensuring respect for human rights, specifically freedom of expression and freedom of the media, as well as respect for the rule of law. These actions should be pursued with rigor.

The referendum on article 78 of constitution was conducted in a professional manner and the outcome forms part of the democratic process. We expect that Moldova's authorities will rigorously respect the European principles of free and fair elections during the upcoming early parliamentary elections which will be organized most probably by the end of November.

In order to further consolidate and establish a reintegrated Moldova, I hope that the outcome of the election will bring lasting political stability within the country. I hope that after the elections the government and the opposition, whatever these may be, would agree to work together for the future of the democratic and independent Moldova with a viable system of checks and balances of power. Only then will Moldova's democratic development reach a more mature state. The European Union continues to work towards the realization of these democratic values that secure that political rivals reach out towards each other in a genuine dialogue. The reform process in general needs to continue, in some areas accelerate strongly, after the elections.

I am confident that Moldova will manage to overcome all political and economic difficulties it faces and will develop into a modern, democratic, reintegrated European country able to enhance the security on the continent. The country's European integration path is one of the fundamental guarantees of the success of these efforts to which we remain resolutely committed.

As to the Transnistrian conflict, let me reiterate that the EU is striving for a solution that is equitable, that is balanced, that will promote lasting security in the region and one that will lay the groundwork for prosperity on both banks of the Nistru river. It is up to our joint wisdom of enlightened self-interest to trust that a win-win solution is feasible – and it is profoundly feasible and to our joint sense of responsibility to unblock the road to prosperity of those 4 million people of Moldova who are trapped in this situation. I express to you my hope that in the upcoming

period we will have the wisdom of informed self-interest and also the courage for responsibility to do the possible: solve a conflict that is eminently solvable.

Thank you for your attention!