VEACESLAV BERBECA

EXPERT IDIS

GAGAUZIA AUTONOMY: POLITICAL BLACKMAIL OR IN SEARCH OF NEW CONTRACTUAL RELATIONS BETWEEN COMRAT AND CHISINAU



Policy Brief

The Institute for Development and Social Initiatives (IDIS) "Viitorul"

AUGUST 2013



This publication is produced with the support of the Friedrich Ebert Foundation.







POLICY BRIEF

GAGAUZIA AUTONOMY: POLITICAL BLACKMAIL OR IN SEARCH OF NEW CONTRACTUAL RELATIONS BETWEEN COMRAT AND CHISINAU



Veaceslav Berbeca



www.viitorul.org

IDIS "Viitorul" is a research, training and public initiative institution, which works in several areas related to economic analysis, governance, political research, strategic planning and knowledge management. IDIS serves as a joint platform bringing together young intellectuals concerned with the success of the transition towards market economy and an open society in Republic of Moldova. The Institute for Development and Social Initiatives (IDIS) "Viitorul" is the legal successor of Fundatia Viitorul (Viitorul Foundation) and, overall, preserves the traditions, objectives and principles of the foundation among which: building democratic institutions and developing a spirit of effective responsibility among policy makers, civil servants and citizens of our country, strengthening civil society and criticism, promoting the freedoms and values of an open, modern and pro-European society.

10/1 lacob Hincu str., Chisinau MD-2005 Republic of Moldova 373 / 22 221844 tel 373 / 22 245714 fax office@viitorul.org www.viitorul.org



The Friedrich Ebert Foundation (FES) is a German political, socio-democratic foundation which aims at promoting the principles and fundamental rules of democracy, peace, international understanding and cooperation. FES fulfills its mandate in the spirit of social democracy devoting itself to public debates and finding social-democratic solutions to current and future issues of the society in a transparent manner.

The Friedrich Ebert Foundation launched its cooperation with Republic of Moldova in 1994 through its Regional Office in Kiev, and since October 2002, there is a resident office of the Foundation in Chisinau.

Tel.: +373 22 885830

E-mail: fes@fes-moldova.org web: www.fes-moldova.org

This publication is produced with the support of the Friedrich Ebert Foundation.

The content of the publication does not necessarily represent the viewpoint of the Friedrich-Ebert-Stiftung.

Fotografie pagina 1: Valentina Ursu / Sursa: www.europalibera.org

EXECUTIV SUMARY

In order to conduct the study, the author has conducted interviews with political leaders from UTA Gagauzia, representatives of the Regional Development and Constructions, Ministry of Finance as well as national experts.

General framework on UTA Gagauzia

On December 23, 1994 the Parliament of the Republic of Moldova adopted the Law No.344-XIII "On the Special Legal Status of Gagauzia (Gagauz-Yeri)", which aimed at putting an end to the political conflict that emerged between the central authorities and the Gagauz elite as a result of the National Revival movement from the Republic of Moldova.

Awarding of a special status to the three rayons populated compactly by Gagauz people was the result of a political compromise aimed at putting an end to the separatist trends in Southern Moldova.

The special status of Gagauzia provides the autonomous territorial unit with large self-government competence. Thus, the Popular Assembly is the Gagauzia representative authority, which has been vested with the right to adopt normative acts within the limits of its competence. Also the population of this region elects for a 4-year period a Governor to whom all the Gagauzia public authorities are subordinated. Mention should be made that several important state positions in the territorial unit are nominated by the Popular Assembly, which is investing the local legislative body with an important role as far as the personnel policy of Gagauzia is concerned.

Even if more than 18 years have passed since this political compromise between the centre and the Gagauz region was reached, periodically, conflict signs between the Chisinau and Comrat authorities emerge on different occasions. Over the last year though, the Gagauz political elite has expressed certain dissatisfaction which reminds about the events from the early '90s. A conflict is also

made obvious between the most important institutions of the autonomy – the Popular Assembly and the Gagauzia Governor (Bashkan). The political fight within the autonomy has direct impact on the relations between the Comrat political elite and the central authorities. This interconnection complicates the situation in the autonomy as well as the relations between the region and the center.

The modality of electing these two important institutions from Gagauzia- the Popular Assembly and the Governor (Bashkan) - is a permanent conflict element between the legislative and executive authorities in the situation when the majority in the local legislative and the Bashkan do not represent the same political formation. In other words, in contrast to the national legislation where the state president is elected by the Parliament, in the Administrative Territorial Unit (UTA) of Gagauzia, the members of the Popular Assembly and the Governor are elected directly by the population of the three rayons which make the Gagauz Autonomy.

The Political Situation in the Gagauz Autonomy

At present, in the UTA Gagauzia there are 3 important political actors disputing the political power in the region. It is Mihail Formuzal, the head of the executive from Comrat who is at his second and final mandate as Governor. He is the leader of the "United Gagauzia" civic organisation and the leader of the Party of Regions.

The second important pole is represented by Nicolai Dudoglo, the mayor of Comrat and the leader of the "New Gagauzia" civic organisation, who in November 2012 de-

cided to join the Democratic Party of Moldova (PDM). At present, 16 of the total 35 members of the Popular Assembly are PDM members who are supported in their activity by 5 independent members. The 7 members of the Communist Party of the Republic of Moldova (PCRM), 5 members of the Liberal Democratic Party of Moldova (PLDM) and 5 independent members support Mihail Formuzal. The chairman of the Popular Assembly, Dmitri Constantinov, and his deputies Demian Caraseni and Alexandr Tarnavschi are representatives of the Democratic Party. Nicolai Dudoglo who lost against Mihail Formuzal in the governor elections in 2006 and 2010, remains to be the PDM candidate for the head of the Comrat executive at the next elections from the end of 2014.

And finally, the last important actor in the region is the Communist Party of the Republic of Moldova which always enjoyed large support in the region. Even if they seem to be in a slight decline, the communist managed to obtain 7 seats in the Popular Assembly in the elections from September 2012. The political fight between the most important politicians in the region - Nicolai Dudoglo and Mihail Formuzal – has involved automatically the Popular Assembly and the Gagauz executive body into a conflict.

Probably, the climax of their political fight happened after the last elections of the legislative body of UTA Gagauzia in September 2012. The members of the Popular Assembly have laid charges against Mihail Formuzal on abuse of authority and misappropriation of funds from the Russian humanitarian aid. They created an investigating committee that had to investigate the case of fuel distribution from the reserve fund. Thus, through the decision no. 56-VII/V from March 12, 2013 of the Popular Assembly, a control commission was created to investigate the law violation and abuse of authority by Governor Mihail Formuzal¹. Moreover, the members of the Popular Assembly initiated the indictment and demanded from Formuzal "to make restitution of the fuel used for other purposes than earmarked." On July 2nd 2013, the head of the executive was also summoned to propose members for the executive committee for approval by the Popular

Assembly, otherwise he was warned of dismissal³. According to article 16, paragraph 2 of the Law on the Special Status of Gagauzia, the Popular Assembly approves at the proposal of Gagauzia Governor the members of the executive committee. Mention should be made that the Governor has the right to dissolve the Popular Assembly in case it fails to confirm twice the Bashkan proposal for the members of the executive committee (art. 68, point 10 of the Gagauz Regulations).

During the interviews conducted, in their turn, the representatives of Formuzal's team say that some of those that are blaming Formuzal of funds misappropriation have received wheat and diesel oil from the reserve fund of the autonomous region. As regards the nomination of the members of the executive committee, Mihail Formuzal did it back on December 28th, 2012. Finally, on July 10, 2013 the legislative body of the autonomy approved the members of the executive body, thus putting an end to the political conflict between the Governor and a significant part of his objectors from the Popular Assembly. The executive committee is composed of 20 members. Valeriu Ianioglo holds the position of the prime vice-chairman of the executive committee. Mihail Formuzal is assisted by two vice-chairmen- Nicolai Stoianov and Ivan Creţu. Actually, we could say that the phase of dissension between the competing sides is over but with the approaching Governor elections, the conflict could develop into a new phase of political fight between the competing sides.

We assume that apart from the official reasons of the political confrontation- the accusations of misappropriation of funds from the Russian humanitarian aid and delaying the nomination of the executive committee members for approval by the Popular Assembly- there are other undeclared reasons of the fight between these factions.

Both power poles directly involved in this confrontation are preparing the ground for the Governor elections from 2014. At the first sight, Nicolai Dudoglo seems best-positioned.

The actual mayor of Comrat is rather well prepared for such events due to his participation in several election

http://www.halktoplushu.com/index.php/glavnaia/ novosti/140-o-zloupotrebleniyakh-vlastyu-glavoj-gagauzii
 http://www.tv7.md/ro/news/view?id=22112, The Gagauz Popular Assembly is plannig to dismiss the Bashkan

 $^{^{\}rm 3}$ http://www.halktoplushu.com/index.php/glavnaia/novosti/242-27062013

campaigns, including in two Governor elections campaigns. Also, the composition of the Popular Assembly seems to be a support and power demonstration before the Governor elections from 2014 if is to take into account the fact that 16 representatives of the Gagauz legislative body are PDM members. Evidently, mention should be made that the calculations made on paper do not always coincide with the electorate state of mind and option.

As a result of the discussions held in UTA Gagauzia, opinions have been voiced that the weakness of Formuzal's team is the lack of a politician who would be a successful candidate for Governor at the next elections. The actual head of the executive is at his second mandate in this position and consequently, will not be able to run for the position of Governor, because the article 14, paragraph 5 of the Law on the Special Legal Status of Gagauzia" stipulates that a person cannot hold the Governor position for more than two consecutive mandates.

Mihail Formuzal has only 5 supporters in the Popular Assembly and the Party of Regions led by him did not take deep roots in the Gagauz autonomy, a fact which contributed to the increase in the supporters' base of the actual Governor at the next elections in the region. While interviewing the representatives of Formuzal's team, they mentioned that the head of the executive from Comrat announced at the beginning of 2012 he would choose the candidate for Governor of his faction from among four persons: Valeri Ianioglo, prime vicechairman of the executive committee, Vitaloi Chiurcciu, the head of the Main Department for Economic Development, Trade, Foreign Economic Relations and Services of Gagauzia, and Victor Petrioglo, member of the Popular Assembly. Most likely the candidate will be chosen from among the members of the executive committee. Even if there are opinions that the actual head of state did not manage to create a strong team from which to be able to choose a candidate with high chances in the elections from 2014, one thing is certain and namely that only the election results will show what the resources and the potential of Formuzal's team are.

The PCRM chances to win the next Governor elections could increase. The fight between the two factions represented by Dudoglo and Formuzal could exhaust both

camps and consolidate the communists' positions in UTA Gagauzia. The PCRM success depends to a great extent on their candidate for the 2014 governor elections.

At present, we can register an active presence and involvement of Irina Vlah in the social-political life of the region. We have to wait and see what the electorate's attitude towards this candidate will be taking into account the specifics of the Gagauz people's options in electing the members of the Popular Assembly and the head of the executive in the region. In this case we refer to the fact that only one woman from a total number of 35 people was elected in the elections for Popular Assembly from 2012, while in the governor elections, since 1995 until 2010, there had been no female candidates. Another PCRM candidate could be Oleg Garizan who is a member of the Moldovan Parliament. Garizan participated in the extraordinary meeting of the Popular Assembly form May 23, 2013 when they discussed about "the attitude towards the attempts by the leadership of the Republic of Moldova to cancel the special status and attributions of the autonomous region". Garizan read out the PCRM's address to the authorities "to put an end to any attempt of revision of the Law on the Special Legal Status of Gagauzia (Gagauz-Yeri) envisaging limitation of the rights and freedoms of the Gagauz people".4

According to some local opinions, the PCRM chances are increasing because of the fact that the central authorities had apparently appointed incompetent people into important positions which are harming the reputation of the power parties from Chisinau. This is about the dislocated public services in the autonomous region. The Gagauz decision makers have stated during the interviewing that people who lack managing experience and competence had been appointed into managing positions of various sectors. Examples have been brought to support the arguments – the head of the Statistical Department and the director of the Moldovan Post State Enterprise. Moreover, they stated that many positions had not been tendered publicly and no discussions had been held with the members of the Popular Assembly or the executive committee when the appointments had been made, a fact which provoked dissatisfaction among various categories of the Gagauz people.

⁴ http://www.halktoplushu.com/index.php/glavnaia/ novosti/207-chrezvychajnoe-zasedanie-gagauzskogo-parlamenta

Mention should be made that the Gagauz Governor electoral campaign will coincide with the Moldovan Parliamentary elections, a fact which will complicate even more the fight between the most important political actors in the autonomous region. Taking into account the latest developments in UTA Gagauzia, we think that the most disadvantaged seems to be Formuzal's team. The actual Governor, as it has been mentioned above, cannot run for another mandate and his political aspirations at the national level depend directly on the efforts to consolidate the Party of Regions.

The main claims raised by the Gagauz against Chisinau authorities

If the fights for the power between the main Gagauz political formations are an inherent element of a democratic system, then a series of events related to the relations between the Gagauz autonomy and the central authorities raise concerns for the political stability of the Republic of Moldova. There are a lot of statements and actions and the main concern is to find out what the real cause is. Mention should be made that practically every political faction from the Gagauz autonomy thinks it has reasons enough to criticise the central authorities. Evidently, the reasons for the dissatisfaction are different, everybody though invoke the infringement of the special legal status of Gagauzia. Thus, according to the leaders of the Gagauz autonomy, the central authorities have conducted several reforms and adopted laws which diminished the competence of UTA Gagauzia established by the Law No 344-XIII "Law on the Special Legal Status of Gagauzia (Gagauz-Yeri)". Political problems are invoked as well which might upset the relations between the region and the center.

Besides the three poles mentioned above, PCRM, PDM and Mihail'sFormuzal team, we should mention the group led by Leonid Dobrov and Ivan Burgudji, who are called nationalists-patriots, and who also invoke that the Law on the autonomous region is not functioning. What makes the group of the two different from the rest of the power poles is their approach in relation to the center which is at the limit of separatism. The team

of the nationalist patriots sustain it "collected circa five thousand signatures for the organisation of an independence referendum in Gagauzia".⁵

The signatories of the initiative on the referendum organisation sustain Chisinau does not observe the legal norms related to Gagauz autonomy and does not take into consideration the opinion of the population from the region on the strategic vector of the Republic of Moldova.⁶

They requested that the Popular Assembly of Gagauzia adopt a law through which to issue an ultimatum to Chisinau authorities so that during one year they introduce a provision in the legislation of the Republic of Moldova on a special status for the Gagauz autonomy. If not, an independence referendum will be held in Gagauziaon December 2015.7 Mention should be made that this request is signed by the most important factions from the autonomy. According to the petitioners, adoption of a law which would give the definition of the special status of Gagauzia autonomy is invoked in order to determine the Chisinau authorities to stop treating UTA Gagauzia equally to the local public authorities of the second level. They also say that the definition given to the region by the present legislation - Gagauzia (Gagauz-Yeri), an autonomous territorial unit with special status- is very confusing.

The attitude of the other political factions seems to be different from that of the Gagauz nationalist-patriots as far as the organisation of the independence referendum is concerned but the approach of the nationalist- patriots can be used by the members of the Popular Assembly to promote their interests in relation with the central authorities. The requirements of Dudoglo and Formuzal teams are of different nature. The set of requirements starts from increasing the capital investments to transferring 5% of the total customs duties to the UTA Gagauzia budget. In other words, the politicians' requirements include the following:

http://www.trm.md/ro/regional/adunarea-populara-a-gagauziei-a-initiat-consultari-privind-organizarea-unui-referendum/
 http://www.publika.md/comisia-juridica-a-legislativului-dingagauzia-va-examina-astazi-initiativa-initierii-unui-referendum_1467941.html

⁷ http://www.trm.md/ro/regional/locuitorii-din-uta-gagauzia-aduna-semnaturi-pentru-independenta-fata-de-republica-moldova/

- Observe the special legal status of Gagauzia;
- Extend the categories of the central budget incomes of the autonomous territorial unit with special legal status;
 - Institutionalise the UTA Gagauzia Development Region;
 - Transfer more financial means for capital investments.

Without aiming at debunking the requirements and accusations of the politicians from the autonomous region against the Chisinau authorities, there is need to present the points of view of the Gagauz leaders and of the central authorities. First of all, there is a general dissatisfaction that the special legal status of Gagauzia is not observed. Several examples have been brought of how the autonomous region of Gagauzia has been neglected as a result of adopting and promoting of certain laws or reforms by the Chisinau authorities. The Gagauz leaders say the central public authorities have reduced the power of Gagauzia in a systematic way until the level of simple rayon, hewing step by step the law on the special legal status of the autonomy.8 Having evaluated this dissatisfaction, we could say, with small exceptions, that the problems mentioned are technical in character rather than substantial. The critic refers to the fact that certain bodies subordinated to the state institutions have been transferred to other locations in the Republic of Moldova. For instance, the customs office has been transferred from Comrat to Cahul. In this context, mention should be made that since 1996, based on the amendments made to the Law on the Constitutional Court no. 317-XIII from 13.12.1994, UTA Gagauzia has the right to inform the Constitutional Court. Thus, the article 25, letter J stipulates that the Gagauz (Gagauz-Yeri) Popular Assembly has the right to notify the constitutional court on the laws, regulations, decisions and Government provisions, as well as the international treaties to which Moldova is a party, that limit the power of Gagauzia. Paradoxically, but according to the statistical data of the Constitutional Court, the Popular Assembly has never used this right to contest any law limiting the power of the autonomous region. One of the reasons for that mentioned was that the conflict between the two power poles attracted most of the politicians' attention and because of that they did not make the effort to notify the Constitutional Court. This explanation is not a credible argument and does not explain the real state of affairs in the region.

At the same time, mention should be made that in spring this year, under the aegis of the Ministry of Justice, a working group was created to analyse the legislation on the status of the Gagauz autonomy.

The authorities in Chisinau say the aim of this working group is to put forward solutions for solving the problems in the relation between Chisinau and Comrat. On the other hand, the Gagauz politicians are of the opinion that the creation of this structure led to the creation of the initiative group for collection of signatures for an independence referendum in Gagauzia. According to them, the aim of the working group is to reduce the power of the Gagauz autonomy. On May 23rd, 2013, an extraordinary meeting of the Gagauz legislative body took place which was attended by members of the Moldovan Parliament and of the Popular Assembly as well as mayors and council members from the Gagauz communities. The discussions referred to the "attempts by the leadership of the Republic of Moldova to cancel the special rights and powers of UTA Gagauzia".9 Moreover, the Gagauz legislative body adopted a resolution condemning the "attempts of the leadership of the Republic of Moldova" to cancel the special rights and powers of UTA Gagauzia".10

The working group is composed of representatives of all ministries and has to come up with solutions for overcoming the problems between the central authorities and the Gagauz autonomy. The activity of the working group after two meetings is practically paralysed because the representatives of UTA Gagauzia refused to participate in the works of this structure and explained it with the role of the working group that is to reduce the power of the Gagauz autonomy.

The second problem refers to the extension of the budget income categories of the autonomous territorial unit with special legal status. It is a request which makes it evident for the high-end approach of UTA Gagauzia. In this context, the authorities make reference to the art. 18, paragraph 1 of the Law on the Special Legal Status of Gagauzia (Gagauz-Yeri) which stipulates that the budget of Gagau-

⁸ http://tribuna.md/2013/08/17/interviu-mihail-formuzal-ideea-referendumului-din-gagauzia-a-aparut-nu-fara-concursul-unor-entuziasti-de-la-chisinau/

http://www.halktoplushu.com/index.php/glavnaia/novosti/207-chrezvychajnoe-zasedanie-gagauzskogo-parlament
 http://www.halktoplushu.com/index.php/glavnaia/novosti/210-o-zashchite-prav-gagauzii

zia is formed of all types of payments provided by the Moldovan legislation and of the Popular Assembly. The article 5, paragraph 3 of the Law on Local Public Finances no. 397 from 2003 stipulates the income categories of the central budget of the autonomous territorial unit. Also, compare to other territorial units of various level from the Republic of Moldova, 100% of the added value of the goods produced and services provided on the territory of the autonomous region and 100% of the excise taxes on the goods made in Gagauzia are payments to the budget of UTA Gagauzia.

The Gagauz politicians' discontent which feeds the spirit of the so-called group of the nationalists-patriots is caused by the intention of the Chisinau authorities to decrease the VAT and excise tax income by 50% for the 2014 budget. If these changes are operated, the dependence of the autonomous region on the transfers from the state budget will increase further. Even under present conditions, circa half of the Gagauzia budget is formed by the contributions from the state budget which account for approximately 191 mln Lei in accordance with the Law on State Budget for 2013. Such operations would feed further statements and actions which could destabilise the situation in Gagauzia. Moreover, new accusations of violation of the special legal status of the autonomy will be brought.

The demand to transfer 5% of the total accumulations from the customs duties cannot be accepted, because from the economic point of view, this type of tax cannot represent a source of local budget formation.

The demand for the implementation of the regional development provisions within the UTA Gagauzia Development Region is in the process of being met. Anyway, the Gagauz politicians criticise the Chisinau authorities for the fact that they had not initiated this process in 2010-2012, like in the Northern, Central and Southern Development Regions. Even if Gagauzia has been offered to become part of the Southern Development Region, the Comrat authorities refused it, although these institutions are not administrative territorial units but instruments of the regional development policy implementation. Refusal to become part of the Southern Development Region has a pure political explanation and namely that the status of a territorial autonomy gives it the right to have its own Agency.

Thus, over the period of 2012, several meetings of the working group have been organised in order to start the implementation process of the regional development policy of the UTA Gagauzia Development Region. As a result of these measures, at the meeting of the Regional Development National Council which took place on October 2012, there was approved the action plan on the implementation of the conceptual framework for the realisation of the regional development policy of the UTA Gagauzia Development Region.

Following that meeting, an inter-ministerial commission on the Action Plan implementation was created in 2013. In this context, in order to ensure the successful implementation of the above-mentioned plan, several small steps have to be made so that this instrument becomes operational.

These include creation of the Regional Council for Development of the UTA Gagauzia Development Region, creation of the UTA Gagauzia Regional Development Agency and elaboration of the Regional Development Strategy. The latter has to be developed and approved by the Regional Council for Development of UTA Gagauzia. After creation of the above-mentioned institutions, the call for proposals has to be launched according to the development priorities identified by the strategy based on a methodology developed by the Ministry for Regional Development and Construction. Once established, the UTA Gagauzia Regional Development Agency will be eligible for the project financing starting with 2015 because according to the provisions of the legislation in force, the Unique Programme Documents (DUP) is the instrument for the implementation of the National Strategy for Regional Development and is developed for a 3-year period. Based on the above-mentioned and on the fact that the new DUP was developed for the period of 2013-2015 and approved through the Government Decision no. 933 from 18.12.12, UTA Gagauzia will be eligible to participate in the planning period of 2016-2018, the calls for project proposals being launched only in 2015.

In relation to the above-mentioned, the Gagauz authorities state that UTA Gagauzia has a regional development strategy in place for some time which contains a series of regional development projects. Moreover, taking into account that initially Gagauzia did not have a development agency, by way of exception, it would need to obtain a certain amount of money for the implementation of projects in UTA Gagau-

zia in 2014 if all the legal conditions are met. In this context, mention should be made that the representatives of the central authorities state that the strategy of the Gagauz autonomy does not correspond with the National Strategy for Regional Development and the development priorities as this is rather a social-economic development strategy like all the rayons have and not a regional development one. The priorities identified in the Northern, Central and Southern regional development strategies are the following: a) rehabilitation of physical infrastructure (roads, water, and sewage); b) private sector development projects, c) projects for enhancement of environment and touristic attraction.

Insistence of Gagauz leaders to have its own UTA Gagauzia Regional Development Agency could have perverse effects on the possibility to apply for certain European funds which fixes the number of the population as an eligibility criterion for project financing like for instance the List of the Statistical Territorial Units of level II (the number of the population being from 800.000 up to 3.000.000). According to the population census from 2004, the population of the autonomy is 155 thou people. A simple question arises here: what is more important for the Gagauz people- a development agency which would constitute an additional element for the recognition of their identity and an action of the Gagauz exclusivism, even if the agency is subordinated to the Ministry of Regional Development and Constructions, or the possibility to benefit from more financial support without having the agency (being part of the Southern Development Agency, for instance). We think there are several answers to this dilemma. First of all, we suppose that not all the Gagauz politicians know very well the eligibility criteria for certain national and European funds. Secondly, even if there are politicians or civil servants (and sure there are such people) who know all the subtleties related to the funds, they avoid raising the issue so as UTA Gagauzia becomes part of the Southern Development Agency because such a message could create political problems and could even jeopardise the chances for a successful career in the Gagauz autonomy. As a result, another conclusion is that the Gagauz politicians and civil servants do not raise the issue to become part of the Southern Development Agency because the problem of the funds accessing has not appeared yet and one cannot say directly that the Gagauz autonomy, created on the basis of the identity principle, will not be eligible for the funds. We think that this issue will be a new topic for discussion and will constitute a new negotiations round between Chisinau and Comrat only if it becomes evident for the Gagauz authorities that the small number of the population is an obstacle in accessing European funds mentioned above. Mention should be made that even in accordance with the national legislation, in the case of the UTA Gagauzia Development Agency, the latter will benefit from far less funds in comparison with the other three, because the financial means are allocated as a result of distributing the total amount of 1% from the budget incomes to the number of the population in the region. Anyway, regardless of the reasons, we think that the processes related to the creation of the UTA Gagauzia Development Agency should be expedited in order to create the necessary conditions for financing regional development projects in the autonomous region.

And finally, the demand for the transfer of more financial means for capital investments and repair works is explained through the fact that only 910 thou lei was transferred from the state budget in 2013. The Gagauz leaders state that very few infrastructure projects have been launched and the ones which started have not been finalised, like for example, the surgery building of the Comrat hospital. We could refer here to the critics by the Gagauz authorities of the Chisinau authorities as regards the grants provided by different state and international organisations. The idea is that very little money offered by the foreign donors is channelled to finance various project in Gagauzia. What should be understood is that all the grants by international organisations and other states are offered only if there are projects developed. The same situation will be with the 5 mln Euro that UTA Gagauzia will get from the European Union for the implementation of social and infrastructure projects. According to Dirk Schuebel, ex head of the EU Delegation to Moldova, in autumn, Gagauzia will be included in the programme on the allocation of 5 mln Euro from EU. Dirk Schuebel mentioned during a meeting in the autonomous region in February 2013, that the programme on the implementation of social and infrastructure projects in Gagauzia will take three years. 11 The first tranche will be in the amount of 2 mln Euro. In other words, the tranches will be allocated based on submission of eligible projects. Or this erroneous perception regarding the grants by external donors is widely spread also in other parts and structures of the Republic of Moldova.

¹¹ http://plan-pro.com/ue-va-oferi-gagauziei-5-milioane-de-euro-pentru-realizarea-proiectelor-sociale-si-de-infrastructura/

CONCLUSIONS and RECOMMENDATIONS

The problems appeared recently between the Gagauz and central authorities are the result of misunderstanding regarding the functioning of UTA Gagauzia. Any legal modification or institutional change which has a certain relation to the autonomy is regarded in most of the cases as an attempt on the power of UTA Gagauzia. However, this does not mean that since the creation of the autonomous region, the two sides have been on a continuous war footing. On the contrary, there have been a lot big scale projects within which Chisinau and Comrat cooperated rather efficiently such as for example, the creation and construction of the Comrat State University.

We could state that much of the misunderstanding appears because there is no communication enough between the Chisinau and Comrat leaders. This is at least the impression as a result of the perception by both parties of the competence of the working group whose purpose is to analyse the legal framework related to the status of the Gagauz autonomy under the aegis of the Ministry of Justice. Another problem invoked by the Gagauz side is related to the launching of the Regional Development Agency without participation and involvement in the discussions of the officials from the autonomous region.

The Moldovan politicians even if in oppositions should have a more serious attitude when launching certain statements. Vladimir's Voronin statement that Transnistria should be given the status of the republic, has provoked a chain reaction from among the Gagauz leaders who stated that once Transnistria is granted such a status, UTA Gagauzia will demand the same power.

We can state that from the economic point of view, despite the exclusivism exhibited and the positive statements on the region development, UTA Gagauzia depends to a great extent on the financial transfers from Chisinau. Mention should be mentioned that even benefiting from 100% of VAT on the goods and services

produced and provided on the territory of the autonomous region and from 100% of the excise taxes on the goods subjects to excise tax and produced on the territory of Gagauzia which has a special legal status, the budget of the autonomy depends considerably on the payments from the state budget. Actually, the economic problems are made evident through the demand to supplement the investment capital / capital repair works or create the UTA Gagauzia Development Agency.

We assume that certain developments in the Gagauz autonomous region may have the purpose to destabilise the situation in the Republic of Moldova before the EaP Vilnius Summit from November 2013. Even if all the parties involved exclude the external factor in the collection of signatures for an independence referendum in Gagauzia, one of the formulations of the initiative group – that Chisinau does not take into consideration the opinion of the population in the region regarding the strategic vector of the Republic of Moldova- makes us not totally exclude the existence of the external factor. Evidently, we can affirm that many of such events are caused by the weaknesses of the central power.

We think that Chisinau should have more discussions with Comrat in order to avoid misunderstanding in future. Also, the projects those implementation started long ago should be finalised. In case the civil servants from the Gagauz autonomous region come up with project proposals for regional development that are in compliance with the priorities of the National Strategy for Regional Development and meet all the conditions for the creation of the UTA Gagauzia Development Agency, it is advisable to finance such projects, by way of exception, in the financial year of 2014.