

SITUATION IN MOLDOVA THROUGH THE PRISM OF EVENTS IN TRANSNISTRIA AND GAGAUZIA: SCENARIOS AND CHALLENGES

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The situation in the Transnistrian region of the Republic of Moldova and its impact on the situation in Moldova as a whole and on the security situation in the region should be considered in a broader context, taking into account the course of events in the autonomous region of Gagauz Yeri, as well as political, economic and social challenges in the country, which opponents of the current President Maia Sandu use as a pretext for organizing protests and riots in Chisinau.

Actually, Moldova is perhaps the most vulnerable of Ukraine's neighbors after Russia's full-scale invasion of Ukraine on February 24, 2022. Moldova is not a member of NATO and the EU (the state received candidate status simultaneously with Ukraine and largely due to empathy for Ukraine, as well as significant advocacy efforts of Romania and France). Therefore, Chisinau cannot count on NATO's security mechanisms, and the EU's support largely depends on the EU consensus and is currently disproportionate to the amount of assistance provided to Ukraine. In addition, the energy security of the state remains volatile, and additional turbulence is created by the presence of the separatist Transnistrian region controlled by the Russian Federation, where Russian troops (the so-called OGRF) are deployed and subordinated to the South-Western Military District of the Russian Federation. Another factor of instability is the separatist and pro-Russian sentiments in Gagauzia.

Apparently, granting Moldova candidate status to a certain extent strengthens the position of Maia Sandu and her Party of Action and Solidarity, which has a majority in the Moldovan parliament. However, the situation with the rating, undermined by the economic and social crisis, remains challenging and may be further deteriorated by the efforts of Russian proxies in Moldova, and pro-Russian forces in Moldova may rely on separatists in Transnistria as well as separatists and provocateurs in Gagauzia.

The Transnistrian settlement process is currently frozen. This situation is primarily due to the position of Russia, because since 2014 Moscow has been considering the option of laying a land corridor through Ukraine to Transnistria within the so-called “Novorossiya project”.

Despite the fact that the Transnistrian side actively declares its neutrality, the value of these statements is seriously undermined by Tiraspol’s lack of subjectivity. Moreover, at first, Transnistria tried to benefit from the window of opportunity, which, according to Tiraspol, emerged to actualize the narratives about the independence of the so-called “republic” and demands for its recognition. The so-called “foreign minister” of Transnistria Vitaly Ignatiev was particularly active in this matter. In July, he once again reminded that the leadership of Transnistria is determined to achieve its independence and future accession to the Russian Federation, as evidenced by the results of the referendum in 2006, and in September he called for security guarantees for Transnistria from the participants of the 5+2 negotiation process.

At the same time, the main motive for preserving “neutrality” is the interests of the key economic actors of Transnistria, who seek to retain the formats of the shadow economy and smuggling flows.

It is noteworthy that Chisinau itself is aware of both the motives of the Tiraspol regime to stay “neutral” and the way in which the Transnistrian territory can be used as a springboard for combat or sabotage actions against both Ukraine and right-bank Moldova, and if initially, after the full-scale Russian invasion of Ukraine, there were attempts to maintain the status quo in relations with Tiraspol, now Moldova is beginning to change its position.

A particularly illustrative case in this regard is the situation with the Moldova Steel Works (MSW) in Rîbnița, Transnistria region. This enterprise with a gross profit of about \$200 million per year is one of the main contributors to the Transnistrian budget. To a large extent, MSW’s functioning was sustained by scrap metal supplies from Ukraine and environmental permits issued by Moldova. However, since September 2022, probably under pressure from European partners and in order to meet EU requirements for the candidate state, Chisinau suspended all the permits.

Interesting is the situation with another system-forming enterprise of Transnistria—Moldovan SDPP in Kuchurgan, which is also located in Transnistria. The operational capabilities of the SDPP are ensured primarily by Russian gas, which Transnistria illegally withdraws from the gas pipeline through which Gazprom transports gas to Moldova. Given the fact that gas debts are the subject of controversy between Moldova and Russia, which is a formal reason for the termination of gas supplies to Moldova, such cooperation with SDPP also looks unnatural. Obviously, Moldova, at the risk of being left with no gas supply, wants to protect itself from the simultaneous loss of electricity supply, and therefore, receiving

about 30% of its electricity from Ukraine (contract with Ukrhydroelectro), the state-owned company Energocom monthly renews the agreement on electricity delivery with the SDPP. However, as demonstrated by the use of the gas lever in Russia's hybrid arsenal, Moldova's expectation that such contracts will be binding may appear to be unreasonably naive. Now, when due to the Russian shelling Ukraine has stopped electricity supply to Moldova, the situation has become even more complicated, as now Moldova is fully dependent on electricity supplies from the SDPP and even provides it with gas to generate electricity in the required quantity.

It is noteworthy that the leadership of the Transnistrian region proposed to close the issue of Moldova's multi-billion dollar debt to Gazprom, which, among other things, was accumulated due to gas offtake in the Transnistrian territory. However, the way in which the Transnistrian authorities propose to resolve this matter is questionable, since the plan of Gazprom and Tiraspol envisages the transition to direct contractual relations between Gazprom and Transnistria. Firstly, this approach does not provide guarantees of cancellation or restructuring of Moldova's debt. Secondly, it does not even resolve the issue of audit of Moldovagaz, which is one of the sticking points in the disputes over Moldova's debt repayment. Thirdly, it creates additional signs of Transnistria's subjectivity, although it is not recognized by any international actor.

Also controversial are the initiatives of the Transnistrian side to engage a straw company, seeking to ensure gas supplies through the border crossing points on the Transnistrian section of the Ukrainian-Moldovan border (currently the entry point to Moldova is Oleksiivka) in the northern part of the Ukrainian-Moldovan border controlled by Ukraine and the Republic of Moldova. Changing the entry point will carry security risks and create broad scope for provocations and sabotage and, therefore, is unacceptable.

The Sheriff holding, which was founded by Viktor Gushan and Ilya Kazmaly, has not a decisive, but still substantial influence on the situation directly in Transnistria. The holding owns a network of supermarkets, gas stations, bakeries, a chain of supermarkets, a large textile company Tirotext, as well as a mobile operator, media and liquor production KVINT. It is claimed that Sheriff owns 60% of the region's economy. By the way, it is noteworthy that the owners of the holding not only possess property in Transnistria, but also have businesses and real estate in the EU and even Ukraine (37% of the Ukrainian operator Intertelecom belongs to Viktor Gushan, and another 49% to Odinaco Ltd—a Cypriot company, the beneficiary of which is also likely to be the owners of Sheriff).

Back in 2012, Ilya Kazmaly minimized his participation in business management, resigned his mandate as a deputy of the so-called Transnistrian parliament and left the region. Meanwhile, Viktor Gushan and his son Yevgeny Gushan remain prominent figures in

Transnistrian politics. During the rule of the so-called president of the Transnistrian region Igor Smirnov, Sheriff was dominant. Later, during the presidency of Yevgeny Shevchuk, who relied mainly on the Russian Federation, the position of the founders of Sheriff weakened, but later, with the coming of Vadim Krasnoselsky to power, Sheriff not only restored but also strengthened its influence on the power vertical in Transnistria, and the ex-leader Shevchuk was forced to leave the region as he was threatened with arrest.

The owners of the Sheriff holding have always tried to avoid conflict situations with the Russian side, but at the same time to secure their own interests in the region. Sheriff exercises political clout in Transnistria through its influence on the ruling party Obnovlenie, and it also supported the so-called presidential campaign of the current head of the Transnistrian region, Vadim Krasnoselsky. The son of the co-founder of the Sheriff holding, Yevgeny Gushan, has a deputy mandate in the so-called parliament of Transnistria.

In view of the business interests of the Sheriff holding, the most acceptable scenario for them would be to preserve the status quo in Transnistria. Political and security turmoil, the attention of the international community to Transnistria interferes with the holding's business, which is often built on gray schemes. The Russian attack on Ukraine and sanctions imposed on Russia are already creating problems for Transnistrian business structures. In particular, some Moldovan observers believe that the sanctions levied against the SberBank of Russia have had a negative impact on the operations of the so-called Transnistrian Republican Bank, and therefore on Transnistrian exporters, including Sheriff.

It can be assumed that it was the desire of Sheriff to retain its influence and avoid dragging the region in the conflict that caused the ambiguous situation in Transnistria at the beginning of the full-scale Russian invasion of Ukraine. Back in April, unknown persons allegedly attacked the so-called Ministry of Security in Transnistria with a grenade launcher and committed a number of other acts (blowing up a radio tower and shooting near a military unit), which the Transnistrian authorities qualified as "terrorist attacks". At first, the leader of Transnistria, Vadim Krasnoselsky, declared a 15-day state of alert with the introduction of anti-terrorist security measures, such as the establishment of checkpoints at the entrances to cities. Yet in May, the authorities of unrecognized Transnistria lowered the terrorist threat level from red to yellow. And although in May the so-called Minister of Foreign Affairs of the region Vitaly Ignatiev stated that the incident of dropping explosive devices from a drone on the territory of the Russian peacekeeping contingent was carried out by Ukraine, in July Vadim Krasnoselsky said that the so-called terrorist attacks in April were under investigation. According to him, the perpetrators and instigators were found on individual facts: "there is a clear Ukrainian trace in one case and a Moldovan in the other." In general, the incident was soft-pedalled, and one cannot exclude that the leadership of Sheriff contributed to this.

The fact that the population of Transnistria, which also often profited from smuggling schemes, is generally not interested in getting drawn into the conflict and is afraid of such a scenario, also played its role. Just over a tenth of the population backed the authorities' intention to participate in a conflict against Ukraine or right-bank Moldova. Even less people would be ready to fight with Moldova or Ukraine.

Despite the population being unprepared for military action, and business and related politicians seeking to avoid direct or secondary sanctions by maintaining the status quo, the interests of the general public and business players are in conflict with Moscow's interests. The presence of the Operational Group of Russian Forces (OGRF) in the region provides leverage for Moscow's direct influence on the region and threatens to use it as another springboard against Ukraine.

The number of troops is from 1500 to 1700 servicemen, whose main task is to protect the ammunition depot in the village of Kovbasna. Even though the ban on the transit of Russian servicemen through the territory of Ukraine has led to difficulties with rotation (primarily affecting the quality of officers), this was compensated by the recruitment of Transnistrian residents with Russian citizenship. Although in general this contingent seems to be small and poorly trained, it has light armored vehicles, several T-64 tanks, and Grads. Therefore, the risk of using the OGRF in the Russian invasion against Ukraine distracts the Armed Forces of Ukraine from the main areas of operation, as well as creates additional levers of pressure on the Republic of Moldova. In addition, taking into account the direct dependence of a number of Transnistrian "security forces" on Moscow, it cannot be ruled out that they will provide personnel assistance to the OGRF by the forces of the army and law enforcement agencies of Transnistria.

CONCLUSIONS

In general, it can be assumed that the situation in the Transnistrian region can develop according to several scenarios:

1) Preserving the status quo: this scenario would best satisfy the key actors in the Transnistrian region. The combination of pro-Russian rhetoric and, along with this, the absence of steps to support Russia's position would help Sheriff to hold its ground, and the so-called President Krasnoselsky to remain popular with Transnistrian voters. This scenario is hampered by Russia's desire to use all possible platforms to create obstacles to the Ukrainian counter-offensive, including by diverting the attention of the Ukrainian Armed Forces. Its probability is also undermined by the fact that the status quo has actually changed and it is hardly possible to restore it against the background of the Russian invasion in Ukraine. However, in the current circumstances, a return to the status quo seems acceptable.

2) The Belarusian scenario: when, in spite of the resistance of the local elites, Transnistria will be forced to provide support to the Russian leadership, and will act as a base for the training of Russian sabotage and reconnaissance groups. This scenario also does not exclude attacks from Transnistria in case the Armed Forces of Ukraine are weakened in the South of Ukraine.

3) Resumption of the negotiation process and change of the negotiation format: when the issue of resumption of the negotiation process on the settlement of the Transnistrian conflict is revived against the backdrop of the AFU's progress in the South of Ukraine and with the growing international support for Moldova, the U.S. and the EU will gain the status of full participants in the 5+2 format (currently they are observers in the format), and Russia as an aggressor state will be deprived or limited in its status as a guarantor of the negotiation process. This scenario can be considered as relevant in the medium and long term, provided that the positive dynamics of the Ukrainian counter-offensive and further weakening of the Russian positions continue.

4) Restoration of control over Transnistria by Moldova: a scenario in which the efforts of Moldova and its partners, including Ukraine, will ensure the demilitarization of Transnistria and the withdrawal of Russian troops from it. Such a scenario should be preceded by a resumption of the negotiation process.

5) Escalation in Moldova: in case of this scenario, Transnistria can indeed be used as a staging ground for training sabotage and reconnaissance groups and even a possible attack—however, not on Ukraine, but on the Right Bank of Moldova. The implementation of such a scenario is possible provided the coordination of Russian malicious influence both

in Transnistria and Gagauzia, as well as intensified use of Russian proxy groups in the Republic of Moldova.

The realization of the latter scenario seems to be a priority for Moscow, and therefore steps are being taken both to destabilize the situation in Transnistria and to strengthen separatist sentiments in Gagauz Yeri.

It should be recalled that despite the separatist sentiments in Gagauzia in the early 90s of the last century, the autonomous status of Gagauzia was effectively settled. The head of Gagauzia (bashkan) is an official member of the Moldovan government and has influence on the appointment of the leadership of local law enforcement agencies. However, the Moldovan government and President Maia Sandu are increasingly accused of insufficient autonomous rights of Gagauzia. Back in 2013, after Moldova signed the Association Agreement with the European Union, a consultative referendum was held in Gagauzia, where 96% of voters decided that the region would have the right to self-determination in case Moldova is threatened with the loss of sovereignty (which is interpreted quite broadly: from Moldova's accession to the European Union to the establishment of the so-called "external control", a concept that has been actively promoted by Russia, when the leadership of states seeking independence from Russia is accused of losing their subjectivity and subordination to the West).

A noticeable and risky trend is also the coordination between Transnistria and Gagauzia. Both entities traditionally maintain close ties with each other, including at the level of "inter-parliamentary contacts". Also, the media outlets promote and reinforce the narrative that Transnistria and Gagauzia are partners in preserving the status quo for these entities (the unrecognized independence of Transnistria and the autonomy of the Gagauz region, respectively).

Amid the problematic negotiations between the Government of the Republic of Moldova and Gazprom on gas supplies, the common features of the Transnistrian and Gagauz leadership in solving the "gas problem" are drawing attention. Initiatives of Transnistria to switch to direct contractual relations with Gazprom are supported in Gagauzia and considered as a model for their own decisions of a similar nature.

In particular, on the eve of the Russian invasion of Ukraine in February 2022, deputies of the People's Assembly of Gagauzia sent a letter to the President of Russia, Deputy Head of the Presidential Administration of the Russian Federation Dmitry Kozak, Russian Ambassador to Moldova Oleg Vasnetsov and Chairman of the Board of Directors of Gazprom Alexei Miller, in which they asked to provide Gagauzia with humanitarian assistance through separate supplies of natural gas. Probably, the step was made in order to test the readiness of the Moldovan authorities to withstand such a scenario.

In case the Moldovan government fails to agree on acceptable terms of gas deliveries with Gazprom and is unable to provide an adequate alternative, the scenarios with separate gas supplies may become relevant again. Moreover, the collapse of the negotiations and the corresponding problems with heating in winter may lead to increased pressure on the government of Natalia Gavrilița and the President of Moldova Maia Sandu, who are already facing protests inspired by pro-Russian forces in Moldova, in particular, the ȘOR Party of Ilan Șor.

Under these circumstances, Ukraine is interested in the stability of the pro-European government in the Republic of Moldova, its ability to control the situation in Gagauzia, as well as in preventing Transnistria from becoming an additional foothold for terrorist acts against Ukraine.

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