

# Regional and cross-border statistics in Republic of Moldova in the light of its post-civil war.

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This briefing is prepared for the “*Role of official statistics in fragile countries, regions and sectors of economy*”<sup>2</sup> panel discussion by Professor Jozef Olenski. Moldova is discussed amongst other countries like: Afghanistan (long lasting home war), Palestine (all possible complications) and Syria (trans-border war).

## Background

In divided communities, collecting or accessing official statistical data is particularly challenging. Republic of Moldova had a civil war in 1990 (“Transnistria War”) and as a consequence, a new self-proclaimed region of Transnistria emerged, with a population of about 500.000 individuals. Despite the multiple attempts to integrate statistical data from this region in the official statistics<sup>3</sup>, an actual cooperation with Transnistrian statistics authorities and/or data access in this area does not exist till ourdays.

Main priorities for regional statistics are focused around the improvement of comparability of national statistics with the international data, data collection and dissemination (“Improving regional statistics in Republic of Moldova”, 2017<sup>4</sup>), while strengthening the cooperation with statistics authorities in Transnistria remains in the shadow, due to failed past attempts. Similarly, due to its *de facto* status (Meyer, 2017), the statistics Transnistrian authorities<sup>5</sup> focus on strengthening data collection methods and international comparability, rather than bonding with the national statistics across the border.

## Challenges

### **1. Lack of a formal agreement between data collection authorities of conflicting parties:**

When it comes to qualitative studies, individual researchers must independently negotiate the dynamics between two conflicting sides to facilitate appropriate collaboration of both parties. This enables successful data collection, meaningful research and productive development outcomes (Hermann, 2001; Grant, 2016). In the case of official statistics, similarly to qualitative work, it is in the role of official authorities between both conflicting parties negotiate or discuss at central or regional level the opportunities of cooperation. A series of cooperation attempts exists throughout time, yet no formal registration exists. For example,

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<sup>2</sup> “Role of official statistics in fragile countries, regions and sectors of economy”, online source: [http://www.iaos-isi.org/NewsLetter/May2017\\_IAOS\\_members\\_Newsletter.pdf](http://www.iaos-isi.org/NewsLetter/May2017_IAOS_members_Newsletter.pdf)

<sup>3</sup> Online source, National Statistics Bureau of Moldova: [http://www.statistica.md/public/files/Cooperare\\_internationala/UE\\_stat\\_reg/Seminar\\_15\\_05\\_2015/P1\\_Situatia\\_curenta\\_si\\_provocarile\\_privind\\_producerea\\_statisticii\\_regionale.pdf](http://www.statistica.md/public/files/Cooperare_internationala/UE_stat_reg/Seminar_15_05_2015/P1_Situatia_curenta_si_provocarile_privind_producerea_statisticii_regionale.pdf)

<sup>4</sup> Online source, National Statistics Bureau of Moldova: <http://www.statistica.md/pageview.php?l=ro&idc=486>

<sup>5</sup> Online source, Statistics in Transnistria: <http://mer.gospmr.org/gosudarstvennaya-statistika.html>

bi-lateral agreements with the official statistics of Ukraine and Romania exist since 1992, yet because Transnistria is not recognized by Republic of Moldova or other states as an independent state, a bi-lateral agreement cannot be set. Moreover, despite that almost two decades have passed since the civil war ceased, to consider at a bi-lateral cooperation with a territory that once belong to the regional statistics of Moldova is still very fragile for national conscious and statistics.

## **2. Internal pressure and constraints of the national official statistics:**

The situation of the statistical system in Moldova is still marked by ex-Soviet legacy and the transition to market economy, which implies that the system was largely based on the collection of detailed data from small geographical units (municipality level), with many overlaps, reduced of quality control and shortage of IT tools application. The progressive alignment of Moldovan statistics to the EU standards is advancing its modernization. Cara and Partachi (2014) identify the following priorities:

- Improving communication and relations with statistical data users, as well as their accessibility to the available fund of statistical data;
- Modernization of the statistical production and dissemination systems;
- Support activities of strengthening the capacities of official statistical bodies within National Statistical System (NSS) and with other national and international partners.

The implementation of priorities alike in practice requires time and substantial financial support. In this sense, a series of challenges are enumerated and identified:

### 1) Political and economic (country level):

- Recent changes in the government;
- The scandalous 1 bln. dollars bank robbery of the Banca de Economii, Unibank and Banca Sociala that took place in 2015 affects significantly the wellbeing of Moldovan citizens and all existent infrastructures. In the words of Frunza (2016): “The robbery of the century led to the diminishing public confidence in the banking system and fears that new banks could fall within insolvent become more persistent”<sup>6</sup>. As the author comments, the restrictions imposed by Russia, the depreciation of the national currency, economic downturn and corporate raid are just a few of the causes of the essential problems in the banking sector that have left traces on the banking activity.

Despite the current support from the EU and other donors, National Statistics Bureau is making progresses in all these areas. However, the increasing demand for statistics in various fields and for a wide range of recipients, poses ever-increasing challenges.

### 2) Institutional:

- The limited capacity of to coordinate the statistical activity of other administration bodies;
- The lack of qualified staff in territorial offices, very fragmented and with poor IT systems;
- The low salaries in the NBS, not able to attract and retain talented junior statisticians with the necessary technical skills.

### 3) Technical:

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<sup>6</sup> Mass-media reference: <http://www.bbc.com/news/magazine-33166383>

- The out-of-date sampling design of household surveys, due to the late processing of the Population and Housing Census, and the demographic phenomenon of migration, not well measured;
- Agricultural statistics, so important for the Moldovan economy, have to be fully recast, not having in place a Farm Structure Survey as recommended by EU standards. The next Agricultural Census should be an occasion of significantly improving this domain;
- Environmental statistics are poor, as in many post-Soviet countries.

Assuming that political tensions would be diminished and a bi-lateral cooperation would take place between the conflicting parties, the listed above internal constraints are important to be considered when integrating regional statistics in the national statistics infrastructure.

### 3. Regional and Cross-border/Trans-border statistics challenge:

When discussing about other statistics than statistics at national level, two key concepts can be distinguished: a) ‘*regional statistics*’ and b) ‘*cross-border* (or also known as *trans-border*) *statistics*’.

a. Regional statistics is defined as the: “*statistics domain that crosses horizontally traditional domains of statistics with the purpose of identifying, producing and disseminating statistics that reflect regional disparities in socio-economic development and the impact of the policies that address regional problems*”<sup>7</sup>. Three functional regions exist in Moldova (Center, North and South)<sup>8</sup> and 928 local administration units. There are no regional administrative units in Moldova (none of the regions have a local public administration chosen by vote).

The disaggregation of statistics at more levels is of particular importance to current discussions in official statistics. The demand of regional statistics is increasing and the pressure to correspond to international and European Union’s standards requires the collection of statistical data at one or more levels, as indicated below:

**Table 1. Administrative unit and demographic threshold.**

Level	Minimum	Maximum
NUTS 1	3 millions	7 millions
NUTS 2	800.000	3 millions
NUTS 3	150.000	800.000

Source: EU project “Improving regional statistics in Moldova”, 2016.

NUTS is a joint statistical instrument for data collection, processing and dissemination of harmonized regional statistics in the European Union. As Table 1 indicates, an administrative unit that ranges between 150.000 and 800.000 individuals will correspond to NUTS 3 level. More discussions are taking place with a variety of ministers and actors on what is the most feasible regional disaggregation of official statistics in Moldova (NUTS 2 or NUTS 3).

<sup>7</sup> Online source, National Statistics Bureau of Moldova:

[http://www.statistica.md/public/files/Cooperare\\_internationala/UE\\_stat\\_reg/Seminar\\_15\\_05\\_2015/PI\\_Situatia\\_curenta\\_si\\_provocarile\\_privind\\_producerea\\_statisticii\\_regionale.pdf](http://www.statistica.md/public/files/Cooperare_internationala/UE_stat_reg/Seminar_15_05_2015/PI_Situatia_curenta_si_provocarile_privind_producerea_statisticii_regionale.pdf)

<sup>8</sup> For official statistics, four statistical regions are considered: the municipality of Chisinau, North, Center and South.

In the views of the recent European expertise ('STATREG project'<sup>9</sup>) to enable a final decision and implementation of this decision requires at least a series of events:

- Gradual harmonization of regional statistics, according to the EU standards;
- Feasibility decision on the most optimal NUTS level for Moldova;
- Gradual integration of Transnistrian statistics in national statistics;

b. Cross-border statistics is particularly challenging due to the fact that a large part of Moldovan citizens have dual citizenship with Romania. Similarly, on the Transnistrian side, according to local statistics around 80.000 individuals have Russian passports, 20.000 have Ukrainian citizenship and 100.000 are citizens of Republic of Moldova or other Commonwealth States countries (Meyer, 2017).

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<sup>9</sup> Online source, National Statistics Bureau of Moldova:  
[http://www.statistica.md/public/files/Cooperare\\_internationala/UE\\_stat\\_reg/Seminar\\_15\\_05\\_2015/P1\\_Situatia\\_curenta\\_si\\_provocarile\\_privind\\_producerea\\_statisticii\\_regionale.pdf](http://www.statistica.md/public/files/Cooperare_internationala/UE_stat_reg/Seminar_15_05_2015/P1_Situatia_curenta_si_provocarile_privind_producerea_statisticii_regionale.pdf)

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