To:

Mr. Andrian Candu, President of the Parliament of the Republic of Moldova

Copy:

Mrs. Liliana Palihovici, Vice President of the Parliament

Mr. Vladimir Vitiuk, Vice President of the Parliament

Mrs. Oxana Domenti, Chairwoman of the Committee on Social Protection, Health and Family

Mr. Radu Mudreac, Chairman of the Committee on Agriculture and Food Industry Mr. Ştefan Crangă, Chairman of the Committee on Economy, Budget and Finances Mrs. Raisa Apolschii, Chairwoman of the Legal Committee on Appointments and Immunities

Parliamentary Factions

No. 27 dated May 2015

Re: Bill No. 35 to amend and supplement legislation (regarding tobacco control)

Dear Mr. President,

In the name of the Employers' Association of the American Chamber of Commerce in Moldova (AmCham Moldova) and the European Business Association (EBA Moldova), we would like to assure you of our greatest respect.

We are writing to express our concern regarding *Bill No. 35 to amend and supplement legislation* (hereinafter the "Bill"), approved by the Parliament of the Republic of Moldova on First Reading on July 18, 2014.

In this context, it should be noted that during the past few days one of the specialized committees, the Committee for Social Protection, Health and Family has formed a working group to analyze the Bill comprised of members of the Committee, Ministry of Health and World Health Organization representatives.

Regrettably, it comes at the expense of transparency in the decision-making process and the principles of legislative technique and drafting, that the parliamentary committees notified on the merits, Committee on Economy, Budget and Finances, Committee on Agriculture and Food Industry, Legal Committee on Appointments and Immunities, their respective ministries (Ministries of Economy, Finance, and Agriculture and Food Industry), as well as representatives of the business community altogether including the Employers' Association which we represent, AmCham Moldova and EBA Moldova, have been excluded from the consultation process.

At the same time, in the report for the First Reading of the Bill, the Committee on Economy, Budget and Finances stated "the need for repeated analysis regarding the regulatory impact assessment and joint analysis with representatives of the ministries of economy and finance to identify economic consequences and the impact on businesses and state budget, and not to allow the legal trade in cigarettes and tobacco products to become a black market trade."

Moreover, the specialized committee was expressly called on to co-opt "members of the Committee on Economy, Budget and Finances to participate in the review of proposals and amendments of economic nature" in connection with the review for the Second Reading (report enclosed).

In this context and considering the importance of the tobacco product market for the economy of the Republic of Moldova, we would like to bring to your attention that the tobacco industry is one of the main contributors of the state. In 2013-2014, approximately 5% of state budget revenues were collected from excise tax on tobacco products. In addition, there are more than 10,000 POS selling tobacco products, and approximately 40,000 Moldovan citizens are directly or indirectly active in the tobacco industry.

We are convinced that especially now, that the Republic of Moldova has signed the Association Agreement with the European Union it must guarantee adherence to European values and the rule of law, including the supremacy of law.

In conclusion, we respectfully request an emergency meeting with you and the representatives of the specialized committee involved in the review process of the Bill.

We thank you for being receptive to our request and please do not hesitate to contact us for any additional information.

Yours sincerely,

Mila Malairău Executive Director Moldova Mariana Rufa Executive Director AmCham EBA Moldova