

## CONFERENCE REPORT

### CROATIA AT THE DOORSTEP OF THE EU

15 June 2011, Fondation Universitaire, Brussels

On Wednesday the 15th of June 2011 the conference „Croatia at the Doorstep of the EU“ has been held at the Fondation Universitaire, in Brussels. The event was organized by the TEPSA, the Institute for International Relations (IMO) from Zagreb, the Ministry of Foreign Affairs and European Integration of the Republic of Croatia and the Konrad Adenauer Stiftung European Office in Brussels. Moderated by Graham Avery, the honorary Director-General of the European Commission and the former Secretary General of TEPSA, the conference began with the welcoming addresses by Prof. Jean-Paul Jacqu , Secretary General of TEPSA, H.E. Branko Bari evi , Ambassador, Head of Croatian Mission to the EU and by Dr. Vi nja Samard ija Head of the European Integration Department at the IMO.

After the welcoming addresses work was divided into two panels “Croatia on the way to the EU: from negotiations to membership” followed by “The role of Croatia as a new EU member state”. The first conference speaker was **Andrej Plenkovi **, State Secretary at the Ministry of Foreign Affairs and European Integration of the Republic of Croatia who gave a brief insight into the chronology of events which led Croatia to the doorstep of the EU. He indicated that the Croatian accession process started ten and a half years ago with the Zagreb Summit that created conditions for negotiations on the Stabilization and Association Agreement (SAA) between Croatia and the EU and opened the European perspective for the whole of South Eastern Europe. Instead of taking a step by step approach Croatia took a more energetic path applying for the EU membership in 2002, before the completion of its SAA ratification. This tactic has proven to be correct because in June 2005 Croatia gained the EU candidate status and in October of the same year it started its accession negotiations with the EU.

Plenkovi  continued by explaining that Croatian accession negotiations have been more demanding and difficult than the previous ones since they were framed within the new EU enlargement consensus which strengthened the instruments of EU conditionality. Quantitatively, in order to harmonize with the *acquis* Croatia needed to adopt 540 new laws and more than 1000 by-laws. Qualitatively, the country went through a series of deep and overarching reforms which created a solid base against post accession reversibility. Commenting on the current state of the affairs Plenkovi  stated that Hungarian presidency is doing all it can to close the accession negotiations by the end of June. After the closing of the EU negotiations Croatia will be confronted with finalization of its accession treaty and the referendum on the EU membership, which will take place no more than 30 days after signing the Accession Treaty.

**Alexandra Cas Granje** (Director for Croatia, the Former Yugoslav Republic of Macedonia, Turkey and Iceland, DG Enlargement, European Commission) indicated that during the fifth enlargement difficulties were encountered in implementing political and institutional reforms dealing with topics such as protection of minority rights and fight against corruption. Therefore, within Croatian accession negotiations both opening and closing benchmarks have been installed in order to increase transparency and professionalism of the whole agenda. A crucial difference in comparison to previous accession processes was the much stronger focus on the fulfillment of the political criteria. Another new element was the increased emphasis on the good neighbourly relations and regional cooperation. According to Ms. Cas Granje, despite the fact that negotiations had started well, the overall pace was slow because four years into this process only 7 chapters have been preliminary closed. By the end of 2009 the situation somewhat improved with 15 closed chapters; however none of them counted among the difficult ones. Still, commenting upon the latest state of affairs the speaker indicated that in the last year and a half Croatia demonstrated impressive progress because it managed to arrive at 31 preliminary closed chapters. At the moment four chapters remain to be closed and it is expected that they will be closed this June.

Commenting on the difficult chapters Ms. Cas Granje singled out Chapters 23 on judiciary and fundamental rights and the Chapter 8 dealing with competition. In the first case the closing of a Chapter was very difficult because there were 10 difficult closing benchmarks installed. Regarding Chapter 8, Croatia needed to make a credible restructuring plan for its shipyards which was a very difficult and sensitive due to economic and social importance of its shipyards industry. Regarding the current situation the speaker stated that monitoring of Croatia between closing of its accession negotiation and entrance in the EU will rely on the existing monitoring instruments such as the Pre-accession Economic Program and fiscal notifications. There will be a comprehensive monitoring report by the European Commission as well as smaller reports and the overall focus will mostly be targeted towards obligations from Chapter 23. Regarding Chapter 8 a special protocol will be attached to the accession treaty in order to make sure that all obligations will be implemented.

The European Parliament's Rapporteur on Croatia **MEP Hannes Swoboda** indicated that the expected decision on closing accession negotiations with Croatia hasn't been merely a political decision, but that it was based on implementation record and on facts. He recommended to the Croatian government to do all that is possible to integrate civil society within the "yes" campaign on the EU referendum because civil society was crucial for gaining the popular support in the case of his native Austria. He stated his confidence that the European Parliament will have a strong vote on the accession of Croatia which will be a clear message to Croatian citizens from the EU's most democratic institution.

The debate following the first panel particularly focused on the time needed for the accession treaty to be ratified. It has been indicated that no member state is likely to hold a referendum on Croatian membership. However, some problems in the ratification process could be expected in the Netherlands due to its minority government and in Slovenia if the political landscape of that country changes in the meantime.

The second panel was opened by **H.E. Péter Györkös**, Permanent Representative of Hungary, former ambassador to Croatia. Györkös started his presentation by explaining how the period between closing of negotiations and entering the EU can be divided into two sub periods; the passive observer (before signing the accession treaty) and the active observer (after its signing). However, during this entire time Croatia will be fully integrated in functioning of EU institutions. Furthermore, Croatia will have to continue working on fulfilling obligations for which it received transition periods from the EU. Györkös pointed that the *acquis* changes constantly representing a moving target which will require from Croatia a very close monitoring of all new developments so that it could take the adequate actions.

**Dr. Višnja Samardžija**, Head of the European Integration Department at the Institute for International Relations in Zagreb gave an outline on where Croatia stands now and what challenges it faces as it closes its accession negotiations. With the EU membership Croatia will achieve better protection of human and minority rights, together with civil liberties and will obtain a better and more functional judiciary and public administration. In terms of the added value Croatia will bring to the EU geographic advantages as it links continental part of EU (Danube region) with the Mediterranean and can serve as a bridge towards the remaining part of South Eastern Europe. Croatia will contribute to the new EU foreign policy, and in the European Council serve as strong supporter of further EU enlargement. Last but not least, Croatia was bringing to the EU its wide cultural heritage. Dr. Samardžija indicated that Croatia's accession confirms the credibility of the Stabilization and Association Process and could help the remaining countries of South Eastern Europe with its experience achieved in EU accession. However, the country would need to continue reforms to make them irreversible after EU accession. In the area of economic development, Croatia should devote more efforts to raise its competitiveness in order to increase its growth, continue fiscal consolidation, structural reforms, particularly pension, health, labor market and tax reform and assure better implementation of the Government economic recovery program. Regarding institutional functioning as a member state Croatia will need to develop new functions of its Parliament, while in the area of EU funds it will need to increase its absorption capacity. In order to make sure that the EU referendum will be successful Croatia should mobilize its civil society.

**MEP Doris Pack**, (Member of the Foreign Affairs Committee of the EP) indicated in her presentation that all future member states should be very well prepared for the EU membership because only in that way it is possible to be an equal member. The fact that Croatia will be a member of the EU was sending a very positive signal to the rest of the region because it made clear that its efforts have paid off. This was particularly important for Bosnia and Herzegovina where following Croatian example can help in overcoming internal divisions.

**Dr. Baldur Thórhallsson** from the Institute of International Affairs, Centre for Small State Studies at the University of Iceland, Reykjavik in his presentation focused on the role of small states in the EU. Dr. Thórhallsson stated that for the small states prioritization is the

key since they can only focus on a limited number of issues and policy areas. Commenting on Brussels based officials from the small states, the speaker stated that they tend to have more autonomy than those from the large states and that in contacting colleagues in their capitals; they are able to contact higher ranking national officials with greater ease. Small states tended to rely more on the Commission and its sources of information. However, the Commission could not be seen as defender of small states but rather as a mediator. In concluding his presentation Dr. Thórhallsson stated that large states create the EU framework, but that small states have managed to function successfully within that framework. The presentation of his research gave insights on the future role Croatia, as a smaller member state, could play in the EU.

The debate following the second panel focused primarily on the dynamics related to Croatia becoming the new EU member state. It was explained by several panelists that in order for negotiations to be closed Croatia is not only dependent on the decision of the European Council but also a special Intergovernmental Conference had to be called. After the closing of negotiations it was up to the national parliaments to make a sovereign decision on Croatian EU membership. Discussing the question of the Roma minority and their protection it was indicated that Croatia would have to further develop its Roma protection strategy within the EU framework.

The conference was closed with some final words by Dr. Stefan Gehrold, Director of the European Office of the Konrad Adenauer Foundation who stressed Croatia's key achievements on the road to EU membership.

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