

Report on the Conference

„Croatia at the Doorstep of the EU“

On Wednesday the 15th of June 2011 the conference „Croatia at the Doorstep of the EU“ has been held at the Fondation Universitaire, Rue d' Egmont 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 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 Baricevic, Ambassador, Head of Croatian Mission to the EU and by Dr. Visnja Samardzija 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 Mr. Andrej Plenkovic, 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 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 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.

Plenkovic 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 the 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 Plenkovic stated that Hungarian presidency is doing all it can to close the accession negotiations by the end of June. Following 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 day after signing the Accession Treaty.

The second conference panelist was Ms. Alexandra Cas Granje, Director for Croatia, the Former Yugoslav Republic of Macedonia, Turkey and Iceland, within the DG Enlargement of the European Commission. Ms. Cas Granje indicated that within the 5th enlargement difficulties in implementing political and institutional reforms dealing with the topics such as protection of minority rights and fight against corruption have not been realized. Therefore, within Croatian accession negotiations both opening and closing benchmarks have been

installed in order to increase transparency and professionalism of the whole agenda. Another new element was more emphasis on the good neighborly 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 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 following panelist was Mr. Hannes Swoboda, Member of the European Parliament and a Rapporteur on Croatia. Mr. Swoboda indicated that the expected decision on closing accession negotiations with Croatia hasn't been just a political decision, but that it was based on implementation record and on facts. He recommended to 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 first conference panel very much 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 a political landscape of that country changes in the meantime.

The second conference panel has been opened by H.E. Péter Györkös, Permanent Representative of Hungary to the EU currently chairing the COREPER and a former ambassador to Croatia. H.E. 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. H. E. 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.

The next conference speaker was Dr. Visnja Samardzija, the Head of the European Integration Department at the Institute for International Relations in Zagreb. In ten points she gave an outline on where Croatia stands now and what 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 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 the further enlargement. It has educated labor force, recognized as skilful workers. Last but not least, Croatia is bringing to the EU wide cultural heritage. Dr. Samardzija indicated that Croatia's accession confirms credibility of the Stabilization and Association Process and could help the remaining countries of South Eastern Europe with the experience achieved in EU accession. However, the country will 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.

Doris Pack, Member of the European Parliament and Member of its Foreign Affairs Committee 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 sends a very good signal to the rest of the region because it shows that the efforts have been paid off. This is particularly important for the Bosnia and Herzegovina where following Croatian example can help in overcoming internal divisions.

The last conference speaker was Dr. Baldur Thórhallsson from the Institute of International Affairs, Centre for Small State Studies at the University of Iceland, Reykjavik. His presentation was 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 the EU officials from the small states speaker stated that they have more autonomy than those from the large states and that they are able to contact higher ranking national official with greater ease. Small states tend to rely more on the Commission and its sources of information. However, the Commission cannot be seen as defender of small states. 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 debate following the second conference 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 needs not only the decision of the European Council but also that a special Intergovernmental Conference needs to be called. The final decision is on the national parliaments which after closing of negotiations need to make a sovereign decision on Croatian EU membership. Discussing the question of the Roma minority and their protection it was indicated that Croatia will have to further develop its Roma protection strategy within the EU framework.

The conference was closed with a few 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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