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MOTION FOR A RESOLUTION

to wind up the debate on statements by the Council and the Commission
pursuant to Rule 110(2) of the Rules of Procedure
on the 2010 progress report on Croatia

Hannes Swoboda

on behalf of the Committee on Foreign Affairs

European Parliament resolution on the 2010 progress report on Croatia

The European Parliament,

- having regard to the decision adopted by the Council on 3 October 2005 to open accession negotiations with Croatia,
 - having regard to its resolution of 10 February 2010 on the 2009 progress report on Croatia¹,
 - having regard to the 2010 progress report on Croatia, published by the Commission on 9 November 2010 (SEC(2010)1326),
 - having regard to the recommendations of the EU-Croatia Joint Parliamentary Committee adopted at its 11th meeting on 29 March 2010 in Zagreb and at its 12th meeting on 30 November 2010 in Brussels,
 - having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas the European Parliament continues to be fully committed to promoting Croatia's membership of the European Union and is determined to help bring its accession process to a swift and successful conclusion,
- B. whereas the accession negotiations with Croatia have progressed significantly and have entered their final phase; whereas substantial overall progress was noted particularly in attaining the benchmarks set in the negotiating chapters,
- C. whereas the accession negotiations with Croatia can be completed in the first half of 2011 provided that the necessary reforms continue to be pursued resolutely by, in particular, strengthening public administration and the judiciary, continuing to combat corruption, ensuring the sustainability of refugee return, full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY), the continuation of the privatisation process and the adoption of restructuring plans for the shipyards in difficulty,
- D. whereas reform efforts need to be sustained also beyond the completion of the accession negotiations in order for the country and its citizens to fully benefit from the advantages of EU membership,
- E. whereas the prospect of EU membership is a powerful incentive for other countries in the Western Balkans region on the path to European integration to pursue the necessary political, economic and legislative reforms and the strengthening of peace, stability and reconciliatory coexistence in the region based on good-neighbourly relations; whereas the EU should reinforce the prospects for accession to the EU of Croatia's neighbouring countries which belong to the Thessaloniki process,

¹ Texts adopted, P7_TA(2010)0023.

General Remarks

1. Commends Croatia for the substantial progress achieved in attaining the benchmarks necessary for the conclusion of the accession negotiations; asks Croatia to pursue resolutely the necessary reforms in order to be able to attain the final benchmarks and to conclude the negotiations; calls on the Commission to use all its capacities to support Croatia's efforts to attain the benchmarks;
2. Welcomes the intention of the Hungarian Presidency to complete the negotiations in the first half of 2011 if all the criteria and benchmarks are complied with;
3. Strongly believes that a swift accession of Croatia entails both a European and a regional dimension and would further encourage the rest of the countries of the Western Balkans to resolutely launch and implement accession-related reforms;
4. Continues to be concerned that, as revealed by the latest Eurobarometer survey, the majority of Croatian citizens think that Croatia's EU membership would not benefit the country; encourages the Croatian authorities and civil society, with the help of the Commission, to work to ensure that the Croats see the European project as being theirs as well; calls on the Croatian Government to lend much more political support to civil-society organisations that seek to promote EU membership for the country and to engage these non-state actors better in the accession process; is of the view that it is crucial to give the citizens clear and factual information on the implications of Croatia's accession to the EU;

Political criteria

5. Welcomes the fact that in June 2010 an overwhelming majority of the Croatian Parliament adopted substantial amendments to the Constitution required by EU accession; believes that the constitutional changes adopted will pave the way for passing the remaining legislation; regrets the fact that the Parliament and Government missed the opportunity to enshrine in the Constitution better protection for minority groups, such as LGBT, and the principle of ecological sustainability;
6. Underlines that, while further steps have been taken to strengthen public administration, major weaknesses remain in administrative procedures, while administrative capacities still remain insufficient, particularly in view of the complexity of public administration reform; calls on the Croatian Government to address the considerable delays in the decentralisation process also by elaborating and implementing a decentralisation strategy and by taking further steps to depoliticise the public administration and further enhance its professionalism and ethics; is of the view that the completion of a clear merit-based promotion strategy and revised remuneration policy are key in this respect;
7. Notes that corruption seems to have been widespread in Croatia and remains a serious overall problem; welcomes the efforts of the Croatian Government to take a strong stance against all forms of corruption; stresses that the Government gave special attention to the legal and institutional framework for fighting corruption, including investigations, prosecutions and inter-agency and international cooperation; takes note of the high-profile anti-corruption cases under way involving a former Prime Minister, two former ministers,

high-profile civil servants and numerous general managers of state-owned firms; expects transparent and fair trials and reminds the Croatian authorities of the importance of protecting the corruption investigation process from political interference; welcomes the creation of special anti-corruption and organised crime departments in the four largest courts in the country, where judges are screened and receive additional training; requests OLAF to closely cooperate with the Croatian authorities in order to shed light on the potential secondary corruption which may be generated within the EU Institutions;

8. Notes that, while the fight against corruption remains one of the main priorities of the Government, few corruption cases have come to court and most remain at the prosecution/investigation stage; calls on the Croatian authorities to further strengthen the administrative capacities of anti-corruption bodies, in particular that of the Office for the Fight against Corruption and Organised Crime (USKOK), and further foster a culture of political accountability; notes the efforts of the Croatian authorities to prevent corruption by means of instruction of judges and other public officials and by means of information to the whole society; underlines that more needs to be done in this regard, especially by increasing the transparency of public spending; welcomes the Government's efforts to eliminate shortcomings in the area of financing of political activities and election campaigns;
9. In order to help create an independent and impartial judiciary, is pleased with the substantial efforts to further reform the judiciary, in particular with the adoption of the revised judicial reform action plan; welcomes the progress in further reducing the backlog of cases, especially those where proceedings last more than three years, and rationalising the court system by setting up larger courts, county courts and commercial courts as well as by arranging for judges to specialise; notes the positive steps, including with regard to the State Judicial Council, the independence of the Judicial Academy and the establishment of the school for judicial officers, to reinforce the independence of judicial appointments and to improve career development and the disciplinary liability of chief judges as well as the adoption of general safeguards for enhanced independence of the judiciary;
10. Stresses that, although the courts have reduced the number of unresolved cases awaiting trial, the rule of law and citizens' confidence in the judiciary are still suffering from the heavy backlog of cases and excessive length of court procedures; notes with regret that, while the number of judges is high, there are insufficient court-support personnel and therefore calls on the Croatian authorities to address this discrepancy; underlines that the enforcement of court decisions remains a problem;
11. Notes that the Commission has not yet observed sufficient progress with regard to the infrastructure and equipment of courts, mainly because of the lack of appropriate funding; expects this system to be functional at the earliest possible time in order to combat the backlog of cases in Croatia and ensure that justice is not delayed and is delivered efficiently and promptly; encourages the Croatian authorities to continue improving the independence, efficiency and resources of the judiciary; calls on the Commission to ensure that the reforms of the public administration and the judiciary are successfully implemented before Croatia's accession to the Union; calls on the Commission to assess the impact and results achieved through the allocation of EU funds in the reform of the

judiciary and the fight against corruption;

12. Takes note of the statement made by the Prosecutor of the ICTY before the United Nations Security Council (UNSC) on 6 December 2010; welcomes the generally responsive attitude of Croatia's authorities to the Prosecutor's requests for assistance and the fact that requests are answered adequately and access to witnesses and evidence is provided; calls on the Croatian Government, however, to intensify its administrative investigation concerning the requested military documents and clarify inconsistencies in its reports to the Prosecutor's Office that were mentioned in the Prosecutor's latest statement to the UNSC and have not been resolved yet;
13. Welcomes the efforts of the Croatian Inter-Agency Task Force to provide a full account of the whereabouts of the requested documents; on the other hand, calls on the Council to consider as well the position of the ICTY Trial Chamber, notably that it could not be determined with sufficient certainty whether the requested artillery logs still exist;
14. Is pleased to note that Croatia remains active in trying war crimes cases on its own initiative and that prosecutors have continued to review pending war crimes cases and in absentia convictions, and apply standard measures to ensure uniform practices without regard to the defendant's national origin; notes, however, that further improvements are necessary in the conduct of war crimes trials, in order to ensure fully unbiased, impartial trials as well as to tackle impunity and improve witness protection; encourages the Croatian authorities to further enhance dialogue and cooperation in this field with neighbouring countries; commends the Croatian Government for its programme to eliminate the landmines left over from the hostilities of the 1990s and urges the authorities to pursue the programme with particular attention to the country's most severely affected easternmost territories;
15. Welcomes the overall progress in the field of refugee return and is pleased to note that public hostility towards returning Serbs has diminished in most of the country; notes, however, that problems still remain for refugees and returnees and therefore calls on the Croatian authorities to facilitate the reintegration of returnees by further removing obstacles to obtaining permanent residence status, by adequately financing and accelerating the programme of house reconstruction and by launching social and economic recovery projects; calls on the Croatian authorities to resolutely address the remaining applications, prioritise the review of appeals and pursue efforts to revitalise the economies of disadvantaged areas affected by the war, to further improve the sustainability of returns and to continue fostering inter-ethnic reconciliation in a climate of ethnic tolerance and embrace of ethnic and cultural diversity;
16. Notes that freedom of expression, including freedom and pluralism of the media, is provided for in Croatian law and generally respected in the country; calls on the Croatian authorities, however, to take further steps to ensure the independence of media outlets and create conditions for their professionalism as well as to continue to demonstrate their commitment to ensuring that the media sector operates without political interference and that the independence of regulatory bodies is guaranteed; encourages the Croatian authorities further to vigorously investigate cases of intimidation and political pressure on journalists as well as commercial influence, and to improve the investigation of threats

against journalists working on cases of corruption, organised crime and other unlawful activities; in this respect, welcomes the ruling of the Zagreb District Court in the case of the murder of an editor of a weekly newspaper;

17. Notes furthermore that the public broadcasting organisation Croatian Radio and Television (HRT) continues to face serious managerial difficulties following several unsuccessful attempts by the HRT Programme Council to elect a new director of HRT, which is affecting HRT's functioning; welcomes the entry into force of the new law on radio and television and expects the HRT managerial structure to be depoliticised and editorial independence to be ensured;
18. Welcomes the relative progress made in the area of women's rights and gender equality; notes that some twenty-five percent of parliamentary seats, as well as almost half of administrative positions in the public sector, are held by women, demonstrating the progress towards gender equality; while the gender employment ratio is a positive aspect of Croatia's economy, highlights, however, that the percentage of women occupying positions of enterprise leadership remains low and that gender wage differences persist; requests therefore further active promotion of the participation of women in economic and political decision-making bodies and swift implementation of the Gender Equality Law, including the principle of equal pay; considers that women's social protection is currently advanced in comparison to the situation in Croatia's neighbours; calls on the Croatian authorities to pay more attention to the fight against domestic violence;
19. Welcomes the fact that Croatia was among the first countries to agree to be bound by the International Convention on the Rights of Persons with Disabilities; encourages the Croatian authorities to implement the existing measures and to adopt additional, concrete and transparent plans to reform institutionalisation and legal capacity as well as to address the issue of the growing number of mentally disabled persons living in overcrowded institutions rather than communities in order to fully ensure the legal and human rights of people with disabilities; since the Convention explicitly recognises the basic right of mentally disabled persons to live in a community, recommends the Croatian authorities to make reforms consistent with this provision by providing alternative care options; encourages Croatia further to enforce the relevant legal provisions on access to public buildings for persons with disabilities;
20. Notes good progress with regard to respect for and protection of minorities, with a greater focus on minority issues in a context of improved relations in the region; welcomes the strengthening of the constitutional provisions on minorities and the fact that, despite the financial austerity measures, the level of funding available for minority organisations has only been marginally reduced; however, stresses the need to take the appropriate measures to protect the Roma minority;
21. Emphasises the importance of dialogue with civil society and underlines the important role played by civil-society organisations in defining policy priorities; acknowledges the Croatian Government's efforts to consult civil society; calls on the authorities to take further steps to formalise and increase participation by civil-society actors in the policy-making process and in the monitoring of activities of the authorities; stresses the crucial role of civil society in contributing to enhanced regional cooperation on social and

political aspects;

22. Welcomes the progress made with regard to the prison system, in particular the beginning of construction of new prison facilities as well as the implementation of a new system of probation; notes, however, that, due to the problem of overcrowding, prisoners' needs for healthcare, hygiene, space and fresh air, and access to work opportunities have yet to be fully met;
23. Welcomes improvements regarding prosecutions for so-called hate crimes by the relevant authorities; urges the authorities to go one step further by establishing an adequate classification and definition of hate crimes, especially with regard to crimes based on the victim's sexual orientation, cultural background or ethnicity;
24. Welcomes the progress in the implementation of hate-crime legislation; notes however that the authorities have to address more resolutely cases of racial threats and intolerance against sexual minorities;

Economic criteria

25. Notes that, although the economic decline has slowed down, the Croatian economy has continued to contract, with a decline in real GDP; while it welcomes the economic recovery plans, calls on the Government to translate its recommendations into vigorous policies;
26. Calls on the Croatian Government to address the structural weaknesses of the economy and reduce its redistributive role through structural reform to boost competitiveness; underlines that a rationalisation of the public sector is required, together with further fiscal consolidation/reforms aimed at reducing public expenditure; notes further that serious efforts are needed to reform Croatia's health sector, social systems and state aid policies to achieve cost-effectiveness and a steady level of public spending under a sound fiscal policy framework;
27. Calls on the Croatian Government to address the very low employment rates and pursue further efforts to increase employment by addressing inflexible labour market regulations and the disincentives for workers' participation in the labour market, by vocational education, training and life-long learning;

Abilities to assume the obligations of membership

28. Is pleased to note that Croatia has continued to improve its ability to take on the obligations of EU membership, with a good degree of alignment with the *acquis communautaire* in most sectors; encourages the Croatian authorities, however, to devote particular attention to administrative capacities ensuring proper implementation so that the country may maximise the benefits of EU membership after accession;
29. Takes note of the tendering procedure for the shipyards in difficulty in May 2010; calls on the Croatian Government to conclude as soon as possible the process of restructuring in this regard in order to attain an important benchmark of the accession negotiations necessary for the provisional closure of the competition chapter;

30. Welcomes the substantial efforts to reinforce administrative and institutional capacity as well as to strengthen the overall system of management of pre-accession assistance with a view to adequately preparing for the implementation of cohesion and rural policies upon Croatia's accession to the EU;
31. Urges the Croatian Government to improve the coordination of central government institutions responsible for environmental management, in particular those for spatial planning, waste and water management and air, in order to be able to sufficiently preserve the unique environment and maintain a high level of biodiversity; calls on the Government in particular to carry out, as a first step and matter of urgency, a thorough assessment of its current administrative architecture in the fields of environmental policy-making and management;
32. Notes with satisfaction that Croatia's location and the three European Transport Corridors that cross the country offer cost-efficient access to Central European markets for cargos bound for or originating in the East and Far East and stresses the need for integrated development of ports and rail and road connections to European corridors required to sustain an attractive location for transportation services;
33. Notes that Croatia has made significant progress with aligning its policy, legislation and regulations with the *acquis* on electronic communications and information technologies and encourages the Croatian authorities to promote internet access as widely as possible; welcomes the fact that the switchover to digital television broadcasting has been handled successfully; however, regrets that in spite of the regulations in place, competition on the fixed broadband market still remains limited;
34. Notes that the structural challenges have remained in agriculture and that private farms are still operating on small, fragmented lands with limited capacity to achieve economies of scale;
35. Welcomes Croatia's participation in the Common Security and Defence Policy (CSDP) operations and missions, in particular in the military operation EU NAVFOR Atalanta and the EU civilian missions EUPOL Afghanistan and EULEX Kosovo, as well as Croatia's contribution to EU Battlegroups through active participation in the Nordic Battlegroup and in the German-led Battlegroup; furthermore, notes with satisfaction Croatia's systematic and regular alignment with the Common Foreign and Security Policy (CFSP) declarations, common positions and statements whenever it has been invited to endorse them, both in Brussels and at the level of international organisations;

Regional cooperation

36. Encourages Croatia to continue its efforts to maintain and further develop good-neighbourly relations and to remain an important and proactive promoter of regional cooperation on all levels; commends the Croatian President for paying deep respect to Bosnian victims of war crimes on his official visit to Sarajevo in April 2010; sees this initiative and gesture as a commitment on the part of Croatia to solve historical issues with its neighbours in a fair, sincere and dignified manner; welcomes also the joint statement by the President and Prime Minister of Croatia on support for the territorial integrity and sovereignty of Bosnia and Herzegovina and its accession to the EU and NATO; notes that

progress in regional cooperation has been uneven and therefore urges the Croatian Government and the governments of the neighbouring countries to intensify their dialogue aimed at reconciliation among the citizens of the region and at reaching definite and mutually acceptable solutions to all outstanding bilateral issues, in particular as regards final agreements on state borders, missing persons, property restitution and refugee return as well as the extradition of citizens in cases of war crimes and crimes against humanity;

37. Welcomes the entry into force of the arbitration agreement between Croatia and Slovenia on the border issue on 29 November 2010; considers that solving the long-lasting border dispute between the neighbouring countries is an important signal for the entire region to foster the culture of dialogue and compromise; recalls the provisions of Article 10 of the arbitration agreement according to which both parties should refrain from any action or statement which might intensify the dispute or jeopardise the work of the arbitral tribunal;
38. Calls for progress in the resolution of bilateral disputes with neighbouring countries, such as the border issues with Serbia, Montenegro and Bosnia and Herzegovina, so as to prevent these disputes from becoming an obstacle to further enlargement of the EU once Croatia has joined;
39. Commends Croatia and Serbia for their ambition and efforts to strengthen reconciliation among their citizens in an atmosphere of mutual trust; welcomes the visit by Serbian President Tadić together with the Croatian President to Vukovar, where Serbia's President paid his respects and apologised for the crimes committed at Ovčara near Vukovar, as well as the common commitment to investigate the fate of missing persons and to find solutions to refugee and return issues as important steps towards reconciliation; welcomes the fact that the Croatian President Josipović paid tribute to the Serbian victims of the war in Croatia; welcomes the signing of the agreement on extradition of persons suspected or convicted of crimes related to organised crime and corruption between Croatia and Serbia on 29 June 2010, as well as the conclusion of the extradition agreement between the Republic of Croatia and Montenegro on 1 October 2010, as a significant step in enhancing the effectiveness of the fight against corruption and organised crime and reducing impunity within the region;
40. Welcomes the regional initiative the 'Brdo process', launched by Croatia and Slovenia in March 2010, in particular the agreement between Croatia, Slovenia and Serbia on forming a joint freight rail company to improve cargo transport from and to Western Europe, Turkey and Greece through the three countries; believes that this will not only significantly reduce transport costs and shorten travel times through simplified border and customs controls but reflects a commitment to translate reconciliation efforts into practical steps of economic benefit to all;
41. Takes the view that the region's economic development could be accelerated through close cooperation by Croatia and Serbia in the framework of the Danube Strategy, as this would provide an opportunity to further connect these countries to the EU through various forms of cooperation in the area of transport, the environment and economic development within the framework of the Danube macro-region;

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42. Instructs its President to forward this resolution to the Council, the Commission and the Government and Parliament of Croatia.