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Briefing No 24

**PRE-ACCESSION STRATEGY
FOR ENLARGEMENT
OF THE EUROPEAN UNION**

* *The views expressed in this document are not necessarily those held by the European Parliament as an Institution.*

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2	Hungary and the enlargement of the European Union	167.296	11.02.98	EN-FR
3	Romania and its accession to the European Union	167.297	12.02.98	EN-FR
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**BRIEFING
ON
PRE-ACCESSION STRATEGY FOR ENLARGEMENT OF THE EUROPEAN UNION**

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I. SUMMARY

This briefing deals with the pre-accession strategy adopted by the European Union with a view to the future enlargement and includes the chronological development of the shaping this strategy from the Copenhagen European Council of 21 and 22 June 1993 to the present day. Article O of the Treaty on European Union signed in Maastricht on 7 February 1992 stated that 'any European state may apply to become a member of the Union'. Now, after the first paragraph of this article was revised by the Amsterdam Treaty signed on 2 October 1997, an additional condition has been introduced regarding respect for the general basic principles of the Union. The new Article O - Article 49 of the Treaty on European Union in the new consolidated version - now states that any European State *which respects the basic principles of the Union* (liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law) may apply to become a member of the Union.

The Copenhagen European Council of 21 and 22 June 1993 took the decision to incorporate into the European Union those associated countries in Central and Eastern Europe which so desired, as soon as they were in a position to meet the required economic and political conditions. This decision was reiterated by the Corfu European Council on 24 and 25 June 1994. Subsequently, *the Essen European Council of 9 and 10 December that year adopted a broad pre-accession strategy* to bring these countries closer to the European Union, taking into account their needs and with the ultimate aim of providing the associated countries with an appropriate way of preparing for their accession to the Union. The two principle instruments devised as part of this strategy were 'structured dialogue' between the associated states and the Union institutions and the 'European Agreements' and the preparation of the Associated States for integration into the Union's internal market. In fact, *during an initial stage which lasted until the Luxembourg European Council of 12 and 13 December 1997, the Union's pre-accession strategy - formulated mainly by the Essen European Council - was based on the European Agreements, the White Paper on the Single Market, structured dialogue and the PHARE programme*. Furthermore, the Essen European Council and the Madrid European Council of 15 and 16 December 1995 called on the Commission to submit a detailed analysis of the impact of enlargement on Community policies, especially the agricultural and structural policies. This impact study was submitted to the European Parliament by the Commission on 16 July 1997, in the context of 'Agenda 2000'¹.

In actual fact, Agenda 2000 consists of three volumes. *Volume I* refers specifically to pre-accession (*For a Stronger and Wider Union*), *the second part refers to the challenge of enlargement and includes an assessment of the accession criteria*, a study of the actual impact of enlargement and the *accession strategy and, above all, Volume II of Agenda 2000 (the Challenge of Enlargement)*, which refers specifically to reinforcing the pre-accession strategy and describes the objectives, methods, financial resources and legal instruments.

¹Agenda 2000 - For a Stronger and Wider Union COM(97)2000 final of 15.07.1997.

Finally, the Luxembourg European Council of 12 and 13 December 1997 took the decisions required to launch the enlargement process as a whole, with the 10 CEEC applicant states and Cyprus. The Council also decided to create the 'European Conference' as a multilateral forum for political consultation, which held its first meeting in London on 12 March 1998¹. Above all and this is what concerns us now, the Luxembourg Council adopted the *reinforced pre-accession strategy proposed by the Commission for these countries*. The aim of the strategy is now to enable all the applicant states to become members of the European Union and, to this end, to bring them into line as far as possible with the Union's *acquis* before accession. More specifically, the new *reinforced pre-accession strategy has the dual objective of combining all the Union's various forms of support in a single framework (Accession Partnerships) and to familiarize the applicants with the Union's policies and procedures by offering them the opportunity to take part in Community programmes*. In addition to the *European Agreements*, this strategy is now based on the *Accession Partnerships* and the *Reinforcement of pre-accession aid*. Furthermore, it is to be accompanied by an analysis of the Union's *acquis* for each of the applicant states separately.

The accession process with the 11 applicant countries was officially opened in Brussels on 30 March 1998, at a meeting of the Foreign Ministers of the 15 Member States of the European Union with their opposite numbers from the 10 CEEC applicant countries and Cyprus. Actual negotiations started on 31 March, with 6 bilateral intergovernmental conferences held to initiate accession negotiations with Cyprus, Hungary, Poland, Estonia, the Czech Republic and Slovenia.

II. THE FIRST STAGE OF THE PRE-ACCESSION STRATEGY DRAWN UP BY THE UNION

The *Copenhagen Council* of 21 and 22 June 1993 decided that the Associated CEECs which so wished could join the European Union as soon as they were able to meet the obligations inherent in membership of the EU - i.e. when they met the necessary economic and political conditions. The Council set the relevant criteria for the applicant countries:

- * having achieved a degree of institutional stability such as to guarantee democracy, the rule of law, human rights and respect for and protection of minorities;
- * the existence of a viable market economy, as well as the ability to tackle competitive pressures and market forces within the Union;
- * the applicant's ability to fulfill the obligations of accession, including compliance with the objectives of political, economic and monetary union.

Furthermore, the Copenhagen Council established in Annex II of the Presidency's conclusions a series of lines of action regarding cooperation with the associated countries, with a view to their accession to the Union. Firstly, and alongside the bilateral structure of the European agreements, it proposed the creation of a *structured relationship between the CEECs linked to the Community by European Agreements and the institutions of the European Union* by means of the creation of a *strengthened multilateral framework for dialogue and consultation* on issues of common interest. This involved on the holding of consultative, non-decision-making meetings between the Council of the Union and all the CEECs on various aspects of mutual interest pertaining to the three pillars of the Union decided on beforehand. Secondly, the Council agreed to speed up the Community's efforts to open up its markets and envisaged *improving market access* by abolishing or reducing many kinds of customs duty. Thirdly, the European Council also adopted provisions designed to

¹cf. the Task Force's Briefing no 18 on the European Conference and the Enlargement of the European Union.

make the aid granted to the CEECs more effective, in particular by means of the PHARE programme. Finally, the European Council also agreed to *further economic integration*, in connection with the harmonization of legislation in accordance with the provisions of the various European agreements, by training officials from the associated countries and opening up various Community programmes to participants from those countries.

Subsequently, the *Corfu European Council* of 24 and 25 June 1994 called on the Commission to submit practical proposals for the full implementation of the European Agreements and of the decisions adopted by the Copenhagen Council, as well as a report on the strategy to be pursued with a view to preparing for accession.

For its part, the *Essen European Council* of 9 and 10 December 1994 decided to give a quality boost to the process of bringing the CEECs closer and adopted a broad strategy to continue bringing them closer to the European Union. The main instruments devised for this strategy were, firstly, the '*structured relationships*' between the associated states and the Union's institutions, with the aim of promoting mutual trust and establishing a framework for tackling matters of common interest, as decided at Copenhagen. Secondly, the *essential element* for this process, according to the European Council, would consist in *preparing the associated states for integration into the Union's internal market* by means of the gradual adoption of the latter's acquis. For this purpose, Annex IV to the Presidency's conclusions set out this strategy in detail, the objective being to make it easier for the associated countries to prepare for accession. The envisaged measures included, firstly, the '*structured relationship*' between the associated CEECs and the Union's institutions, dealing with Community policy areas, especially the trans-European dimension (including energy, the environment, transport, science, technology, etc.), but also the CFSP and judicial matters and home affairs. Secondly, with a view to *preparing for the enlargement of the internal market*, the strategy formulated in Essen included short-term measures (trade-protection instruments, trade in textiles, the cumulation of rules of origin, alignment with regard to Bulgaria and Romania and the adjustment of the association agreements). Furthermore, a series of medium-term measures were agreed (concerning the internal market, competition and State aid policy, basically). Finally, the strategy drawn up included a series of provisions concerning agriculture, promoting investments, the CFSP, Justice and Home Affairs, the environment, transport and trans-European networks, culture, education and training, financial cooperation, intra-regional cooperation and promoting good neighbourliness. In essence then, the main elements of this strategy continued to be, on the one hand, '*structured relations*' with the Union's institutions in accordance with the decisions taken at Copenhagen and, on the other, the European Agreements as a flexible and dynamic framework for various forms of cooperation.

The *Madrid European Council* of 15 and 16 December 1995, on the other hand, called for the pre-accession strategy laid down in Essen for the CEECs to be stepped up. It also called on the Commission to make a more detailed analysis of the impact of enlargement on Community policies, especially the agricultural and structural policies, to prepare its reports on the applications submitted, in order to present them to the Council after the conclusion of the IGC, to start preparing a joint document on enlargement and to present immediately, after the conclusion of the IGC, a communication on the future financial framework of the Union from 31 December 1999 onwards. According to the European Council, finally, the initial stage of the negotiations with the CEECs should coincide with the beginning of negotiations with Cyprus and Malta six months after the conclusion of the IGC, taking into account the outcome of the latter. This was reiterated by the *Florence European Council* of 21 and 22 June 1996.

In short, therefore, *during this first stage, which takes us up to the Luxembourg European Council of 12 and 13 December 1997, the pre-accession strategy drawn up mainly by the Essen European Council was based on the European Agreements, the White Paper on the Single Market, structured dialogue and the PHARE programme.*

III. AGENDA 2000 AND THE NEW STAGE IN THE REINFORCED PRE-ACCESSION STRATEGY

1. The general position of the European Commission

In response to the invitation made by the European Council in Madrid, and in accordance with the timetable laid down for the enlargement process which was confirmed by *the Dublin European Council* of 13 and 14 December 1996, the Commission submitted to the European Parliament its communication 'Agenda 2000'¹ on 16 July 1997. Previously, the *Amsterdam European Council* of 16 and 17 June 1997 had welcomed the Commission's intention to submit, before that date, its reports on the accession applications, as well as a general Communication ('Agenda 2000' itself), which was to include, in particular, proposals on reinforcing the prior to pre-accession strategy and further developing pre-accession aid, on the basis of the reform of the PHARE programme. In actual fact, Agenda 2000 consists of three volumes. *Volume I (for a stronger and wider Union)* contains three parts: *the first deals with Union policies* (internal policies, economic and social cohesion, the CAP and external relations). *The second part refers to the challenge of enlargement* and includes an assessment of the accession criteria, a study of the impact of enlargement itself and the *strategy for enlargement*. The second part also includes provisions concerning Cyprus, the European Conference, Turkey and a series of final recommendations. Finally, *the third part deals with the new financial framework (2000-2006)* and covers global problems, the development of expenditure and the financing arrangements. *Volume II of Agenda 2000 (The Challenge of Enlargement)* refers specifically to *reinforcing the pre-accession strategy* and describes the *objectives, methods, financial resources and legal instruments for it*. Finally, *Volume III of Agenda 2000 (Commission reports on applications for accession)* contains the *summaries and conclusions of 10 opinions drawn up by the European Commission in connection with the applications for accession* to the Union presented by the applicant countries.

Generally speaking, in the Commission's view and according to Agenda 2000 (cf. Vol. I) the success of the accession strategy must combine:

- * *negotiations based on the principle of applying the Community acquis from the moment of accession, and*
- * *a reinforced pre-accession strategy for all the applicant countries, designed to guarantee that they adopt as much of the Community acquis as possible before accession.*

As regards the *accession negotiations* with the applicant countries, the Commission proposes, first of all, a series of principles which must govern the Union's approach: the acceptance and application of the *acquis communautaire* from the moment of accession; the acceptance of transitional measures - but not exceptions - in duly justified cases; a periodic review on the basis of the Commission's reports on the progress made by the applicants during the accession negotiations. Furthermore, any transitional periods must in any event be limited, both in scope and duration.

¹COM(97)2000 final of 15.7.1997 - C4-0371/97-167.631

As regards the *reinforced pre-accession strategy*, in line with the requests made by the European Council in Dublin, the Commission proposed reinforcing it for all the applicant countries with the *dual objective of both bringing together all the different forms of Union support in a single framework (Accession Partnerships) and to familiarize the applicants with Union policies and procedures, offering them the opportunity to participate in Community programmes*. For this purpose, after stating that the structured dialogue has ceased to have any meaning and proposing instead an 'ad hoc dialogue' on a multilateral scale, if generalized problems arise, the Commission proposed, in Agenda 2000, a new approach to pre-accession. Firstly, by means of *pre-accession aid*, not only structured around the PHARE programme (ECU 1 500 m per year) but also providing for agricultural development aid of 5 000 m ECU per year and structural aid of ECU 1 000 m per year. Secondly, the Commission also proposed the new instrument of *Accession Partnerships* as the corner stone of the new reinforced pre-accession strategy, with a view to grouping together in a single framework all the various initiatives for assisting the CEECs and in order to launch national programmes to prepare the countries for their accession to the Union. Thirdly, by means of the *participation of the applicant countries in Community programmes and machines for applying the Union acquis*, whilst the countries are progressively adopting the *acquis communautaire* in the run-up to accession.

The Commission developed its ideas in greater detail when dealing specifically with the reinforcement of the pre-accession strategy in Volume II of Agenda 2000. In this, the Commission proposed in practical terms a *specific methodology for the pre-accession strategy*, making a distinction between the enlargement priorities (strengthening the institutional and administrative capacity of the applicant countries and bringing enterprises into line with Community standards) and, on the other hand, the definition of intermediate stages in order of priority, each of them based on a number of precise objectives, set by common accord with the countries concerned, so that, subsequently, the achievement of the objectives will determine the extent of assistance, the progress made in negotiations already underway and the opening of negotiations with the countries with which they have not already begun. The Commission envisaged, as far as *financial resources* are concerned, the PHARE programme as the main instrument, with new management methods, pre-accession aid for agriculture (amounting to ECU 500 m per year starting in the year 2000), regional structural aid (at two levels: firstly via the PHARE programme from 1998 onwards, aimed at familiarizing the applicant countries with the objectives and procedures of the Structural Funds; the second by financing from the year 2000 onwards, via the Structural Funds, up to a total of 1 billion per year, measures in the applicant countries in the form of 'pre-accession' aid). Finally, the Commission also envisaged that the aid should be complementary in order to achieve the maximum multiplier effect. As *legal instruments for the new enhanced pre-accession strategy*, the Commission proposed, basically, the new instrument of Accession Partnerships, preparations for which were to start in the second half of 1997; participation in Community programmes and machinery to apply the acquis communautaire and their participation in a number of mechanisms for administrative cooperation and the application of the acquis communautaire,

With regard to the *opening of accession negotiations*, the Commission submitted its reports with a comparative analysis in the light of the criteria laid down in Copenhagen. In the Commission's view, none of the CEECs at that time satisfied all the criteria for accession, but in accordance with their respective merits, the *Commission considered that Hungary, Poland, Estonia, the Czech Republic and Slovenia could meet all the accession conditions in the medium term* if they maintained and backed up their preparatory efforts. It therefore recommended to the Council that it should begin negotiations with these countries. Nevertheless, the Commission also stressed that the decision to initiate accession negotiations simultaneously with the countries mentioned did not mean that

negotiations would be completed at the same time. This would depend to a great extent, in each actual case, on the extent to which the countries complied with the demands set out in the relevant report.

2. The general position of the European Parliament on the new reinforced pre-accession strategy

To date the European Parliament's most significant views on the reinforced pre-accession strategy have been expressed in three different resolutions:

1. Firstly, the *resolution of 4 December 1997 on the Communication from the Commission 'Agenda 2000 - for a stronger and wider Union'*¹ contains a series of important points concerning the enlargement strategy, expressing the view that it is only possible once the institutional reform of the EU has actually been carried out. Parliament considers that the institutional framework which emerged from the Amsterdam Treaty does not meet the requirements for achieving enlargement without endangering the functioning of the Union and the effectiveness of its action. The EP also considers that the enlargement strategy should be based on an encouraging attitude towards the applicants, recognizing their moral right to join the Union, whilst continuing to insist on fulfilment of the Copenhagen criteria. It considers that all the applicant countries are entitled to start accession negotiations at the same time and hence that all the negotiations with them should start simultaneously. It also points out that the current system of own resources may be inadequate to finance enlargement effectively.
2. Secondly, in its *resolution of 4 December 1997 on the Communication from the Commission on Agenda 2000: the 2000-2006 financial framework for the Union and the future financing system*², the European Parliament issued a warning about the risks of basing the whole financial analysis on over-optimistic forecasts. The EP also noted that, in the absence of other additional resources, enlargement would have to be financed by means of substantial reductions in existing policies, in particular the CAP and the Structural Funds, warning of the danger this may entail. The EP therefore proposed that all accession expenditure should be entered under a new heading of the financial perspective and called on the Council to consider alternative ways of financing enlargement, if the reform proposal should result in smaller savings than those envisaged, if the number of acceding countries should change or if the accession timetable differs from that envisaged.

¹cf. OJ C 388 of 22.12.97. This resolution was adopted on the basis of the Oostlander/Baron-Crespo report: A strategy for enlargement (Doc. A4-0368/97).

²Cf OJ C 388 of 22.12.97. This resolution was adopted on the basis of the Colom i Naval report (Doc. A4-0331/97).

3. In its resolution of 18 December 1997 on the conclusions of the Luxembourg European Council of 21 November and 12 and 13 December 1997¹ the European Parliament welcomed the creation of the 'Accession Partnerships' with each of the applicant countries, whilst regretting that the European Council had not made provision for consulting Parliament about the common framework for the partnerships or envisaged codecision for the content of the individual cooperation and partnership agreements. More specifically it also requested that the Slovak Republic should benefit from the reinforced pre-accession strategy and that the accession partnership with that country should include measures in the sphere of democracy - including minority rights - and for the democracy-related appropriations from the PHARE programme to be used.

3. The general position of the Council

Luxembourg European Council of 12 and 13 December 1997 initiated a joint discussion about the development of the Union and its policies and took the decisions needed to initiate the enlargement process as a whole. It decided, in effect, that the objective for the coming years should be to enable the applicant countries to join the Union and to prepare the Union itself to be enlarged under favourable conditions. According to the European Council, enlargement was a *global, inclusive and changing process* which would develop in stages, at each applicant country's own speed and in relation to its degree of preparedness. Furthermore, it was a *single accession process* covering all the CEEC applicant countries and Cyprus. The European Council also decided to set up the *European Conference* proposed by the Commission as a multilateral forum for political consultation, designed to tackle issues of general interest for the participants, in order to develop and intensify their cooperation in the sphere of foreign and security policy, justice and internal affairs and other spheres of common interest, in particular the economic field and regional cooperation.².

According to the European Council, the process of enlargement as such consists of various elements. Firstly, the framework, consisting of negotiations proper, which is the same for all applicant countries To this end, the accession process with the 11 applicant countries was officially opened in Brussels on 30 March 1998, at a meeting between the Foreign Ministers of the 15 Member States of the European Union and those of the 10 applicant CEECs and Cyprus. The negotiations proper started on 31 March and six bilateral intergovernmental conferences were held to start accession negotiations with Cyprus, Hungary, Poland, Estonia, the Czech Republic and Slovenia. Furthermore, when necessary, the Foreign Ministers of the 15 Member States will meet with their opposite numbers from the applicant countries and may also hold technical meetings at ministerial level.

The second central element of the enlargement process outlined by the European Council was, precisely, the launching of a new reinforced pre-accession strategy, aimed at creating the conditions to enable all the applicant CEECs to become members of the European Union in due course and, to this end, to adapt themselves as well as they can to the Union *acquis* beforehand. As proposed by the Commission, in addition to the *European Agreements*, which are still the basis for relations between the European Union and the applicant states, the strategy is structured around the *Accession Partnerships and the stepping up of pre-accession aid*. This strategy will also be accompanied by a separate analysis of the Union *acquis* for each of the States.

¹Cf. minutes of 18 December 1997, PE 264.958.

²Cf. Briefing No 18, published by the Task Force, on the European Conference and Enlargement.

(a) Accession partnerships

Accession partnerships are a new instrument which constitutes the *linchpin of the reinforced pre-accession strategy, bringing together all the initiatives for assisting the applicant states of Central and Eastern Europe in a single framework, with the aim of launching national programmes to prepare for their accession to the Union*. The objective of the accession partnerships, which should not interfere with the process of holding negotiations with the applicant countries, is to set up a single reference framework to tackle, in detail, the priorities to be applied by each applicant state in order to assimilate the *acquis*, as well as the financial resources available for this, in particular the PHARE programme. The financial assistance must be commensurate with the progress made in the applicant countries and compliance with the planned assimilation of the *acquis*. Furthermore, the Council reserved the right to decide unanimously on the establishment of the system of partnerships as a central element in the pre-accession strategy and then, on this basis, to decide by a qualified majority and no later than 15 March 1998, on the principles, priorities, intermediate objectives, significant changes and conditions of each individual partnership, in order to enable the Commission to draw up, before the end of 1998, the first of its periodic reports on the progress achieved by each applicant State. The Council did this, adopting on *Regulation (EC) No. 622/98 on assistance to the applicant countries in central and eastern Europe in the framework of the pre-accession strategy and, in particular, the creation of accession partnerships*¹ 16 March. This regulation - which has no financial impact, since the programming of Community assistance will be decided in accordance with the procedures set out in the regulations concerning the financial instruments or the relevant programmes - *establishes Accession Partnerships for the CEECs*. Each of them offers a single framework, which includes the priorities for preparing for accession according to the situation in each State, in view of political and economic criteria and the obligations inherent in being a Member State of the EU and, in addition, the financial resources to assist each applicant State in its implementation of the priorities laid down in the pre-accession period. Subsequently, on a proposal by the Commission, it will be for the Council to decide by a qualified majority on the principles, priorities, intermediate objectives and conditions featuring in each accession partnership when it is submitted to each applicant State, as well as subsequent adjustments.

With regard to the *role of the European Parliament*, it should be noted that when Mr Henderson, President-in-Office of the Council, appeared before plenary on 11 March 1998, he said that the Council took the view that Parliament should participate fully and have the opportunity to express its opinion. He went on to specify a number of important points. First of all, in accordance with Article 235, *the European Parliament is to be consulted if the framework regulation concerning the accession partnerships has to be amended*. Parliament shall be sent, for its information, proposals to amend the principles, priorities and objectives of the partnerships. Secondly, *the presidency undertook to offer the European Parliament an appropriate opportunity to express its views so that the Council may take them into account when it adopts a decision* (and of course before adopting it). Thirdly, bearing in mind the exceptional importance of the enlargement process for the Union, *the Presidency of the Council and the Commission are to supply oral or written information to the European Parliament on the most important aspects and developments in the partnerships and the negotiations on accession*. Mr Henderson announced that in practice this could be done two ways: firstly by periodically supplying information to the European Parliament's competent committees and the joint parliamentary committees selected by it and, secondly, by holding a periodic information meeting for certain Members of the European Parliament selected by it.

¹OJ L 85, 20.3.1998. The proposal for a regulation was submitted by the Commission on 10 December 1997 (COM(97)634 final (CNS 97/0351).PE 167.631

The specific position of the European Commission

After the Council had adopted the above-mentioned Regulation (EC) No. 622/98 on 16 March 1998, on 25 March the European Commission submitted the final drafts of the accession partnerships for the 10 applicant countries in Central and Eastern Europe. They specify, for each country:

1. The short-term priorities (which vary from one country to another) which should be fully achieved in 1998 or at least have reached an advanced stage by the end of the year. These priorities most frequently include progress in economic reform, the strengthening of institutional and administrative structures and capacity, the reform of the internal market, environmental protection, the reform of the judicial system, etc. Short term political reforms are also required in Estonia, Latvia and Slovakia.
2. Medium-term priorities, the achievement of which should take a number of years. Some measures in this category should nevertheless be adopted this year. The fields covered are often identical to those mentioned under point 1, as well as political reforms for the majority of the applicant countries, although the measures recommended are more ambitious.

The Accession Partnerships all include a conditionality clause, which stipulates that pre-accession aid will depend on compliance with the European Agreements and progress in fulfilment of the Copenhagen political criteria. The Commission is to inform the European Council periodically of the progress achieved. The first report will be submitted at the end of 1998 and, from then on, reports will be submitted annually. The reports will analyse the progress made by the applicant countries in meeting the objectives laid down in each Accession Partnership. If an applicant country is considered to have met the requirements for initiating accession negotiations and has not yet started them, the Commission will submit a recommendation to the Council to launch negotiations. On the other hand, if an applicant country does not comply with an essential condition for the continuation of pre-accession aid, the Council will take the appropriate steps.

The specific position of the European Parliament

The European Parliament adopted a specific position on the proposal for a Council regulation - via the consultation procedure - in its *legislative resolution of 11 March 1998 embodying Parliament's opinion on the proposal for a Council Regulation on assistance to the applicant countries in central and eastern Europe in the framework of the pre-accession strategy (COM(97)0634 final)*¹. In this resolution the EP approved the Commission proposal and proposed amendments requesting that the EP be consulted on important modifications so as to ensure its future participation. Furthermore, the EP asked that any change in the accession partnerships should be decided on by a qualified majority in the Council, on a proposal from the Commission and after consulting the EP, which in the end was not taken into account in the final text.

¹Cf. Minutes of 11.3.1998 PE 267.866. 12 PE 167.631

On 11 March 1998 the European Parliament also adopted a *resolution on the Commission proposals for Council Decisions on the principles, priorities, intermediate objectives and conditions contained in the accession partnerships (COM(98)0053 final)*¹. In it the EP regretted the fact that it had not been officially consulted by the Commission or the Council and asked to be consulted in future before any decision entailing a possible change to Accession Partnerships was taken, undertaking to express its views within a period of six weeks. It also regretted the fact that the medium-term objectives included certain measures which it considered to be of high priority, such as the rule of law and the workings of the democratic system, respect for the Constitution, the rights of the opposition and civil liberties, the fight against corruption, equal access to public services, police accountability, guarantees regarding the independence of the judiciary and the media, etc. It also called for the abolition of the death penalty, the abolition of visa requirements, the strengthening of regional and local authorities and the development and implementation of a fair policy regarding minorities to be included among the short-term objectives for all the applicant countries. It asked that clear and precise targets be set as part of a strategy for human rights in the medium and long term in all of the countries, and that priority be given to the functioning of the legal systems in the applicant countries. Parliament also requested that the Accession Partnerships should enhance cross-border cooperation in all sectors.

b) Stepping up pre-accession aid

The Luxembourg European Council also decided to *increase substantially pre-accession aid and, as a complement to the PHARE Programme, to allocate aid to the agricultural sector from 2000 onwards, as well as a new structural instrument* designed to promote measures similar to those under the cohesion funds. Furthermore, it decided that the PHARE Programme should focus on two priority objectives (up to 30% of the overall amount to be allocated to strengthening administrative and judicial capacity and up to 70% to be allocated to investments connected with the adoption and implementation of the *acquis*). Furthermore, this European Council agreed to allow the applicant countries to take part in certain Community programmes (in the fields of education, training, research, etc.), and devised a specific accession strategy for Cyprus, based on that country's participation in a number of targeted projects, certain Community programmes and Community agencies and in technical assistance.

The specific position of the European Commission

On the bases mentioned above, the Commission has already submitted the three relevant proposals for Regulations:

¹Cf. Minutes of 11.03.1998 PE 267.86613 PE 167.631

- 1) Firstly, a proposal for a regulation on Community support for pre-accession measures for agriculture and rural development in the applicant countries of Central and Eastern Europe during the pre-accession period (*agricultural pre-accession aid*)¹. The Commission proposes allocating in the forthcoming financial perspective ECU 520 million per year over the next ten years, i.e. a total of ECU 3 064 million for the period 2000-2006. The aim is to help the applicant CEECs to transform and modernize their agricultural sector and to promote the application of the Community acquis in this sphere. The individual allocation for each applicant country will be fixed by the Commission according to objective criteria such as: the farming population, the total area of farming land, GDP in purchasing power parities, the specific territorial situation, etc.. Community aid (which may be as much as 75 % of public expenditure) will be financed by the Guarantee Section of the EAGGF and will complement the corresponding national measures. The rural development plans will cover a period of seven years from 1 January 2000.
- 2) Secondly, a proposal for a regulation creating an *Instrument for Structural Policies for pre-accession (ISPA)*². The Commission proposes allocated ECU 1 billion per year to the ten applicant CEECs during the period 2000-2006. Basically, this aid is designed to help bring the countries into line with EU infrastructure standards, by analogy with the existing Cohesion fund in the EU in the transport and environment spheres, making allowance for an appropriate balance between the two. Aid will be allocated by the Commission on the basis of criteria of population, GDP in purchasing power parities, surface area and the respective deficiencies in both sectors etc. Furthermore, the measures financed by ISPA must meet the conditions laid down in the European Agreements and the percentage of Community aid may be up to 85% of public or equivalent expenditure.
- 3) Finally, the Commission submitted at the same time a proposal for a Regulation on *coordinating aid to the applicant countries in the framework of the pre-accession strategy*³, the purpose of which is to ensure coordination and coherence between the pre-accession aid granted under the PHARE programme, the agricultural instrument and the structural instrument. The purpose of all this is also to avoid any overlapping with aid from other international institutions (EIB, EBRD, IMF, etc.). The Commission therefore proposes a series of general 'guidelines', for example:
 - * making aid dependent on compliance with the conditions and priorities set out in the relevant Accession Partnership
 - * any action or measure to be financed by pre-accession aid may benefit from support under only one of the three instruments;
 - * the systematic participation of the beneficiary States in the financing of investments by each of three instruments;
 - * the creation of a Coordination Committee (consisting of representatives of the Member States and chaired by the Commission representative) in order to ensure the coordination of measures in the framework of the Coordinating Regulation.

In any event, it should be noted that the financial support to the States covered by the enlargement process will be based, as regards the distribution of aid, on the principle of equal treatment,

¹Document COM (1998) 153 final de 18 March 1998.

²Document COM (1998) 138 final de 18 March 1998.

³Document COM (1998) 150 final of 18 March 1998.

irrespective of the date of accession, with particular attention being devoted to those states which need it most, for which reason the Commission has provided for the creation of a recovery mechanism.

The Commission began the technical phase of systematically analysing the *acquis communautaire* (screening) on Monday, 27 April 1998. This phase should in principle last until the middle of September, but according to recent information from the Commission it may take until the middle of 1999. The Commission has announced that it will carry out its work in parallel on two different groups. Consideration of the first group consisting of Poland, Hungary, the Czech Republic, Slovenia, Estonia and Cyprus (5+1) with whom accession negotiations have already begun, is being carried out by the 'Task-Force on Enlargement' of the European Commission. Consideration of the second group, consisting of the other five applicant countries (Bulgaria, Lithuania, Latvia, Romania and Slovakia), is being carried out by staff in Directorate-General IA.

The specific position of the European Parliament

The European Parliament is currently engaged in parliamentary work on the three above-mentioned proposals, developments in which will also depend on how both the Council and the Commission implement the commitment entered into by the presidency of the Council when Mr Henderson spoke to plenary on 11 March 1998, as mentioned above. Essentially, the EP wants an interinstitutional agreement which will allow it to express its opinion on all of the three proposals, which have different legal bases. The aim is to ensure that the European Parliament is duly involved in all stages of the enlargement procedure.

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