

# EUROPEAN PARLIAMENT

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**A5-0092/2003**

25 March 2003

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## **RECOMMENDATION**

on the application by the Republic of Latvia to become a member of the  
European Union  
(AA-AFNS 1-6 – C5-0118/2003 – 2003/0901C(AVC))

Committee on Foreign Affairs, Human Rights, Common Security and Defence  
Policy

Rapporteur: Elisabeth Schroedter

### ***Symbols for procedures***

- \* Consultation procedure  
*majority of the votes cast*
- \*\*I Cooperation procedure (first reading)  
*majority of the votes cast*
- \*\*II Cooperation procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\* Assent procedure  
*majority of Parliament's component Members except in cases  
covered by Articles 105, 107, 161 and 300 of the EC Treaty and  
Article 7 of the EU Treaty*
- \*\*\*I Codecision procedure (first reading)  
*majority of the votes cast*
- \*\*\*II Codecision procedure (second reading)  
*majority of the votes cast, to approve the common position  
majority of Parliament's component Members, to reject or amend  
the common position*
- \*\*\*III Codecision procedure (third reading)  
*majority of the votes cast, to approve the joint text*

(The type of procedure depends on the legal basis proposed by the Commission)

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## PROCEDURAL PAGE

By letter of 20 February 2003 the Council requested Parliament's assent pursuant to Article 49 of the EU Treaty to the application by the Republic of Latvia to become a member of the European Union (AA-AFNS 1-6 – 2003/0901C(AVC)).

At the sitting of 7 April 2003 the President of Parliament will announce that he has referred this application, together with the draft Treaty on Accession of the Republic of Latvia, to the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy as the committee responsible (C5-0118/2003).

At its meeting of 21 January 2003 the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy had appointed Elisabeth Schroedter rapporteur.

It considered the application for accession, the draft Treaty on Accession, the Commission's opinion and the draft recommendation at its meeting of 17-19 March 2003.

At this meeting it adopted the draft legislative resolution by 55 votes to 1, with 2 abstentions.

The following were present for the vote: Elmar Brok, chairman; Christos Zacharakis, vice-chairman; Elisabeth Schroedter, rapporteur; Alexandros Alavanos (for Sami Nair), Ole Andreasen, Per-Arne Arvidsson, Alexandros Baltas, André Brie, Véronique De Keyser, Rosa M. Díez González, Hélène Flautre (for Joost Lagendijk), Glyn Ford, Pernille Frahm (for Luigi Vinci), Michael Gahler, Per Gahrton, Gerardo Galeote Quecedo, Jas Gawronski, Vitaliano Gemelli (for Franco Marini), Alfred Gomolka, Vasco Graça Moura (for José Pacheco Pereira), Klaus Hänsch, Magdalene Hoff, Ulpu Iivari (for Catherine Lalumière), Christoph Werner Konrad (for Karl von Wogau), Efstratios Korakas, Armin Laschet, Nelly Maes (for Reinhold Messner), Cecilia Malmström, Pedro Marset Campos, Hugues Martin, Linda McAvan, Emilio Menéndez del Valle, Philippe Morillon, Pasqualina Napoletano, Raimon Obiols i Germà, Arie M. Oostlander, Doris Pack (for Alain Lamassoure), Hans-Gert Poettering (for Geoffrey Van Orden), Jacques F. Poos, Bernd Posselt (for Amalia Sartori), Luís Queiró, Reinhard Rack (for John Walls Cushnahan pursuant to Rule 153(2)), José Ribeiro e Castro (for Jean-Charles Marchiani pursuant to Rule 153(2)), Lennart Sacrédeus (for David Sumberg), Jannis Sakellariou, José Ignacio Salafranca Sánchez-Neyra, Jacques Santer, Jürgen Schröder, Ioannis Souldakis, Ursula Stenzel, Ilkka Suominen, Hannes Swoboda, Charles Tannock, Gary Titley (for Mário Soares), Joan Vallvé, Bob van den Bos, Paavo Väyrynen, Demetrio Volcic, Jan Marinus Wiersma, Matti Wuori.

The recommendation was tabled on 25 March 2003.

## DRAFT LEGISLATIVE RESOLUTION

### Legislative resolution on the application by the Republic of Latvia to become a member of the European Union (AA-AFNS 1-6 – C5-0118/2003 – 2003/0901C(AVC))

#### (Assent procedure)

*The European Parliament,*

- having regard to the application by the Republic of Latvia to become a member of the European Union,
  - having regard to the Council's request for Parliament's assent pursuant to Article 49 of the EU Treaty (C5-0118/2003),
  - having regard to the Commission's opinion (COM(2003) 79)<sup>1</sup>,
  - having regard to the draft Treaty on Accession of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic to the European Union,
  - having regard to Rules 86 and 96(6) of its Rules of Procedure,
  - having regard to its resolution of 9 April 2003 on the conclusions of the negotiations on enlargement in Copenhagen<sup>2</sup>,
  - having regard to the recommendation of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy (A5-0092/2003),
- A. whereas the conditions for the admission of the applicant countries and the adjustments their accession entails are set out in the draft Treaty on Accession, and whereas Parliament should be consulted on any substantial modifications to this Treaty,
- B. whereas this assent will not determine its position on the adjustment of the financial perspective to cater for enlargement according to Article 25 of the Interinstitutional Agreement of 6 May 1999, and whereas the figures entered in Annex XV of the draft Treaty on Accession constitute the minimum threshold necessary for the adjustment of the financial perspectives,
1. Gives its assent to the application by the Republic of Latvia to become a member of the European Union;
  2. Instructs its President to forward this resolution to the Council and Commission, and the governments and parliaments of the Member States and of the Republic of Latvia.

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<sup>1</sup> OJ C not yet published.

<sup>2</sup> Vote foreseen in plenary on 9 April 2003 (report by Elmar Brok (A5-0081/2003))

## EXPLANATORY STATEMENT

### BACKGROUND

Latvia submitted its application for EU membership on 27 October 1995.

Its request is part of the historic process of ending the division of Europe and consolidating the establishment of democracy across the continent.

The Conclusions of the Copenhagen European Council of June 1993 stated that those candidate countries of Central and Eastern Europe who so wish shall become members of the Union if they meet the following conditions, normally referred to as the Copenhagen criteria:

- stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- the existence of a functioning market economy, as well as the ability to cope with competitive pressures and market forces within the Union;
- the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

A judgement on these three groups of criteria - political, economic, and the ability to take on the *acquis* - depends also on the capacity of a country's administrative and legal systems to put into effect the principles of democracy and the market economy and to apply and enforce the *acquis* in practice.

The accession of Latvia to the European Union will mark the culmination of a process of progressive approximation, which started in 1993, soon after the country's independence, with the Agreement on trade and economic and commercial cooperation between the EC and Latvia. A free-trade agreement entered into force on 1 January 1995. Both agreements were later integrated in the Europe Agreement signed on 12 June 1995 and in force since 1 February 1998. The Europe Agreement clearly held out the prospect of Latvia's accession to the EU. It provided, in addition to Latvia's gradual integration into the Internal Market, for cooperation in the areas of culture, Justice and Home Affairs and social affairs. The agreement also instituted a political dialogue, up to the highest level and including the European Parliament and the Saeima (the Latvian Parliament).

By virtue of these contractual arrangements and the EU's financial pre-accession support, the transition process in Latvia, as well as in the other former communist candidate countries, was closely linked to the accession perspective. The Commission delivered its opinion on Latvia's application on 15 July 1997. The Helsinki European Council of 10-11 December 1999 decided that accession negotiations with Latvia and five other countries still waiting for such a decision would be opened. In so doing, the European Council acted in accordance with Parliament's call for an end to the division of the candidate countries into a first and a second group. Negotiations on the pace and modalities for Latvia's transposition and effective implementation of the legislation shared by all EU Member States, the *acquis communautaire*, were duly opened the following spring.

In parallel a framework for comprehensive EU support to Latvia's preparations for EU

membership was set up and gradually became operational. This includes the Phare, ISPA<sup>1</sup> and SAPARD<sup>2</sup> programmes, from which pre-accession aid is now flowing. The progress in the preparations has been assessed by the Commission in annual reports, the most recent of which was presented on 9 October 2002. It stated that the extent to which Latvia fulfilled the Copenhagen criteria should allow the EU Member States to conclude negotiations by the end of 2002.

On the basis of that report and the completion of the negotiations in almost all areas, the Brussels European Council of 24-25 October 2002 took decisions in relation to outstanding issues which paved the way for the conclusion of the negotiations at the Copenhagen European Council on 12-13 December 2002.

From the time of the application and onwards, the European Parliament has in a series of resolutions firmly supported Latvia's membership bid and pointed to issues which required special attention. A constructive dialogue with the Saeima has been conducted in the framework of the EU-Latvia Joint Parliamentary Committee.

## **MOTIVATION FOR THE PROPOSED ASSENT**

Although further efforts are necessary to solve problems dealt with in earlier resolutions of the European Parliament, these problems are no longer of such a scale that Parliament should feel prevented from giving its assent.

Latvia has reached a high degree of alignment in most areas of the *acquis*. In the accession negotiations, Latvia has committed itself to apply the *acquis* with effect from the date of its accession in the areas covered by the following negotiation chapters: Freedom of Movements of Goods; Competition Policy; Economic and Monetary Union; Statistics; Industrial Policy; Small and Medium-Sized Enterprises; Science and Research; Education and Training; Telecoms, Information Technology and Postal Services; Culture and Audiovisual Policy; Regional Policy; Consumer and Health Protection; Justice and Home Affairs, Customs Union, External Relations, Common Foreign and Security Policy; and Financial Control.

In other chapters, a number of well-motivated transitional arrangements has been agreed upon. Most prominently, Latvia has been allowed extra time to reach full compliance with the *acquis* concerning Free Movement of Capital and Environment. In the areas of Free Movement of Persons, Agriculture and Transport, full implementation of the *acquis* will be delayed at the request of the EU.

The process of reinforcing administrative and judicial capacity will need to continue after accession at the central, regional and local levels. A specific Transition Facility will be established to assist the new Member States to further develop and strengthen administrative capacity and foster exchange of best practice.

As a Member State Latvia will greatly benefit from the Structural Funds, as well as from the gradual introduction of direct payments to farmers and the facility for rural development,

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<sup>1</sup> Instrument for Structural Policies for Pre-Accession

<sup>2</sup> Special Accession Programme for Agriculture and Rural Development

including specific support for semi-subsistence farms.

The commitments made by Latvia make it likely that satisfactory integration will be achieved also in those areas where particular difficulties exist and more time is needed. This should be facilitated by the expected continued good growth of the Latvian economy. Provided that a fiscal policy which effectively mobilises resources, while not hampering economic growth, is conducted, the room for public investment should steadily increase.

More investment and increased funding could, for example, produce faster improvement of the functioning of the public administration and the judiciary, be helpful in the fight against corruption and permit more rapid construction of the costly facilities needed for implementation of the EU's rules on protection of the environment and foster regional and integrated rural development. With regard to the latter, as mentioned in the previous European Parliament reports, Latvia is advised to fully use its scope for action within the EU agricultural funds to make the most extensive use of opportunities for integrated rural development, including modulation of payments, so as to enable all members of its large rural population to benefit from them.

Increased funding would also permit expansion of Latvian language training and other measures to promote better integration of the ethnic minorities into Latvian society.

The situation as regards the ethnic minorities has been a prominent cause of concern. While not denying that a strong focus on the preservation of the Latvian nation and language was only natural when Latvia regained its independence after decades of russification policy under the Soviet rule, the European Parliament noted that rules for the granting of citizenship and provisions on language use were partly incompatible with international standards. Amendments and new laws have now greatly improved the situation, as recognised also by the OSCE and the Parliamentary Assembly of the Council of Europe. Membership in the EU will seal Latvia's successful political and economic transition. For this and other reasons, it should help to inspire confidence and thereby facilitate harmonious development of inter-ethnic relations.