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REPORT

on Romania's application for membership of the European Union and the state of the negotiations
(COM(1999) 510 – C5-0033/2000 – 1997/2172(COS))

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

Rapporteur: Baroness Nicholson of Winterbourne

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PROCEDURAL PAGE

By letter of 20 October 1999, the Commission forwarded to Parliament its regular report on Romania's progress towards accession (COM(1999) 510 – 1997/2172(COS)).

At the sitting of 21 January 2000 the President of Parliament announced that she had referred the regular report to the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy as the committee responsible (C5-0033/2000).

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy had appointed Baroness Nicholson of Winterbourne rapporteur at its meeting of 23 September 1999.

The committee considered the Commission regular report and the draft report at its meetings of 10 July 2000 and 13/14 September 2000.

At the latter meeting it adopted the motion for a resolution unanimously.

The following were present for the vote: Elmar Brok, chairman; Baroness Nicholson of Winterbourne, vice-chairman and rapporteur, William Francis Newton Dunn and Catherine Lalumière vice-chairmen; Bastiaan Belder, Andre Brie, Gunilla Carlsson, María Carrilho (for Rosa M. Díez González), Michael Cashman (for Linda McAvan), Daniel Marc Cohn-Bendit, Paul Couteaux (for Cristiana Muscardini), John Walls Cushman, Andrew Nicholas Duff (for Bertel Haarder), Monica Frassoni (for Per Gahrton), Michael Gahler, Cristina García-Orcoyen Tormo (for Gerardo Galeote Quecedo), Jas Gawronski, Alfred Gomolka, Klaus Hänsch, Magdalene Hoff, Jan Joost Lagendijk, Alain Lamassoure, Cecilia Malmström (for Francesco Rutelli), Claudio Martelli, Emilio Menéndez del Valle, Philippe Morillon, Pasqualina Napoletano, Raimon Obiols i Germa, Arie M. Oostlander, Jacques F. Poos, Mechtild Rothe (for Ioannis Souladakis), Lennart Sacrédeus (for The Lord Bethell), Jannis Sakellariou, José Ignacio Salafranca Sánchez-Neyra, Jürgen Schröder, Elisabeth Schroedter, Ursula Stenzel, Ilkka Suominen (for Jacques Santer), Hannes Swoboda, Freddy Thielemans, Johan Van Hecke, Geoffrey Van Orden, Paavo Väyrynen, Demetrio Volcic (for Gary Titley), Jan Marinus Wiersma, Matti Wuori, Christos Zacharakis, Elisabeth Jeggle (for Silvio Berlusconi pursuant to Rule 153(2)), Minerva Melpomeni Malliori (for Alexandros Baltas pursuant to Rule 153(2)) and Joke Swiebel (for Sami Naïr pursuant to Rule 153(2)).

The report was tabled on 21 September 2000.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.

MOTION FOR A RESOLUTION

European Parliament resolution on Romania's application for membership of the European Union and the state of the negotiations (COM(1999) 510 – C5-0033/2000 – 1997/2172(COS))

The European Parliament,

- having regard to Romania's application for membership of the European Union, submitted on 22 June 1995 pursuant to Article 49 of the Treaty on European Union,
 - having regard to the opinion of the Commission on this application (COM(1997)2003 – C4-0375/1997),
 - having regard to the first regular report from the Commission, issued on 4 November 1998, on Romania's progress towards accession (COM(1998) 702) and Parliament's resolution of 3 December 1998 on the same subject¹,
 - having regard to the second regular report from the Commission, issued on 13 October 1999, on Romania's progress towards accession (COM(1999) 510 – C5-0033/0000),
 - having regard to the decisions of the Copenhagen (21-22 June 1993), Luxembourg (12-13 December 1997), and Helsinki (10-11 December 1999) European Councils,
 - having regard to the Accession Partnership with Romania, endorsed by the Council on 6 December 1999²,
 - having regard to the accession negotiations with Romania, which opened on 15 February 2000,
 - having regard to Rule 47 (1) of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy (A5-0247/2000),
- A. welcoming the new approach laid down at the Helsinki European Council whereby all Central and Eastern European countries are to be placed on an equal footing where accession is concerned and each country will be judged according to its ability to meet the Copenhagen criteria,
- B. whereas that approach aims to encourage applicant countries to strive as swiftly as possible towards full accession, and whereas it is hoped that it will provide further incentive to the populations of accession countries to take the often difficult steps towards necessary reforms,

¹ OJ C 398, 21.12.1998, p. 50.

² See Council Decision 1999/852/EC of 6 December 1999 (OJ L 335, 28.12.1999, p. 15).

- C. whereas, despite the efforts since the return to democracy, Romania still faces challenges in meeting some of the Copenhagen economic criteria, made more difficult also by internal political problems,
 - D. whereas many of the challenges facing Romania are part of the legacy of the Ceausescu dictatorship, which has left social and political scars,
 - E. whereas political problems such as that of corruption have economic implications, particularly posing an obstacle to foreign investment,
 - F. whereas, although there have been improvements, the problem of children in institutions continues to be a great cause for concern and a human rights problem which affects the accession procedure,
1. Welcomes, following the decisions of the Helsinki European Council, the opening of the accession negotiations with Romania; stresses, however, that Romania still has to make a major effort, with EU support, to incorporate the *acquis communautaire*;
 2. Notes that, in overall terms, Romania meets the Copenhagen political criteria and that it has taken the necessary measures to ensure that the situation of its minorities, especially the Hungarian and German minorities, is in conformity with the Council of Europe's rules;
 3. Considers that there is still room for improvement in the situation of the Roma and Sinti, while recognising that this problem calls for a common approach under Council of Europe auspices; urges the Romanian authorities to elaborate a national strategy for the social integration of Roma and to closely involve the Roma communities and local authorities in policy-making processes;
 4. Notes with concern the environmental situation in many parts of Romania, which creates immediate threats to the public health; notes with satisfaction signs of cooperation between Romania and Hungary for the protection of common waters; calls upon the Romanian authorities to apply the strictest environmental requirements in Europe when considering the reopening of the Baia Mare and similar establishments;
 5. Welcomes the major progress achieved in respect of the freedom of the press but is still concerned about the allegations that part of the press continues to be subject to harassment and intimidation by the authorities; requests the Commission to monitor closely the situation in this area;
 6. Points to the stabilising and constructive role which Romania played during the Kosovo conflict and which it will also play in the future in south-east Europe, believing that Romania's accession would reinforce the CFSP and the ESDP;

7. Believes that the efforts made by Romania in implementing the embargo on Yugoslavia with the relevant heavy economic repercussions should be duly taken into account in the evaluation of its progress towards accession; stresses that in strengthening border controls in the framework of the accession preparations, due consideration should be shown for regional trade relations and the need to develop regional co-operation and cross-border projects in the framework of the Stability Pact, including regional co-operation with Ukraine and Moldova;
8. Welcomes the agreement between Romania and Bulgaria on the construction of a new bridge on the Danube; urges the Commission to give the necessary support for the restoration of the navigability of the Danube in order to encounter the damages of war and to balance the economic repercussions of the embargo on Yugoslavia suffered by Romania;
9. Notes that the economic situation is still giving cause for concern, although certain signs of economic recovery which are now appearing give hope for the future; therefore urges the Romanian authorities, with the support of the major political forces, to implement resolutely the Action Plan for the achievement of the goals of the Medium-Term Economic Strategy, endorsed by the Commission and the international financial institutions, in order to achieve macro-economic stabilisation and accelerate the pace of privatisation of state-owned enterprises;
10. Underlines the fact that without vigorous implementation of the Action Plan and the Medium-Term Economic Strategy, it will be very difficult for Romania to satisfy the Copenhagen economic criteria ;
11. Calls for the lifting of the structural obstacles to the modernisation of the agricultural sector, which has major potential for the economic development of Romania;
12. Notes with regret that the administration has not the capacity to participate in SAPARD actions and regrets the lack of personnel for dealing with land registration; stresses also that the lack of clear legislation hampers the development of agriculture and the economic development in general;
13. Underlines that the restructuring of the agricultural sector and rural development measures must focus on the multiple functions of rural economies and encourage diversification of income in rural areas by appropriate use of local resources and specificities, whereas support for agricultural production has to integrate aspects of environmental protection, biodiversity and food quality;
14. Regrets the slow pace of the reform of public administration, which represents an obstacle to the integration of the *acquis communautaire*, and therefore urges the Romanian authorities to step up the pace of the reform of public administration;
15. Asks also the Romanian authorities to remove the remaining obstacles to the adoption of the *acquis communautaire*, especially in protecting the environment, combating corruption and crime, and strengthening border checks;

16. Notes that, despite numerous government initiatives, much more remains to be done to overcome the corruption which is undermining the political and administrative structures of Romania;
17. Calls for a swift adoption of the package of reform of the judiciary and of the penal code;
18. Notes the Romanian authorities' declared intention to reach a rapid solution to the problem of children in institutions, by facilitating their return to a family environment; confirms that accession to the European Union requires a fundamental change in current practice going much further than the efforts which have been made in that area to enable Romania fully to comply with the international conventions on children's rights which it has signed and by which it is bound;
19. Calls on the EU Institutions, in cooperation with the Romanian Government, to examine all the possibilities for drawing up and co-funding joint programmes for the social rehabilitation and integration of the children in institutions in order to establish a definite long-term solution to the problem;
20. Urges the future Romanian Government, irrespective of its composition after the November 2000 elections, to continue the necessary reforms at a more intensive pace so as to enable Romania to join the Union within a reasonable time, with the support of the Romanian people;
21. Confirms its position that Romanian nationals should not be required to hold a visa in order to enter the EU and reiterates its position as set out in its legislative resolution of 5 July 2000 on the proposal for a Council regulation on listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (COM(2000) 27 – C5-0166/2000 – 2000/0030 (CNS)); calls on the Council to adopt the relevant regulation as soon as possible;
22. Instructs its President to forward this resolution to the Commission and Council and the Government and Parliament of Romania.

EXPLANATORY STATEMENT

I. FROM LUXEMBOURG TO HELSINKI: THE PROGRESS OF AN APPLICATION

1. On 22 June 1995 Romania submitted its application for membership of the European Union. The Commission, pursuant to the Treaty on European Union, drew up an opinion on this application, evaluating the situation in Romania on the basis of the Copenhagen criteria. It followed the same procedure with the other applicant countries of Central and Eastern Europe and with Cyprus. These opinions were grouped together, alongside proposals aimed at accompanying the accession process, in a document entitled 'Agenda 2000'. In its recommendations to the Member States, the Commission made a distinction between those countries in a position to integrate the *acquis communautaire* in the medium term and those which were not. Romania was placed in the second group. This distinction was criticised by the European Parliament in its resolution of 4 December 1997.
2. The Commission's proposals were, however, confirmed by the Luxembourg European Council on 12 and 13 December 1997. On this occasion, the Heads of State or Government of the Fifteen decided to launch the process of enlarging the EU to take in the countries of Central and Eastern Europe and Cyprus, stressing that *this enlargement was to be seen as a global, inclusive and evolutionary process, to be carried out by stages on the basis of the rhythms appropriate to each applicant country in line with its degree of preparedness.*

In this context, the European Council decided to establish a European Conference, bringing together the existing Member States and those European countries which wished to join the Union and shared its values and objectives. It also adopted the principle of a reinforced pre-accession strategy, including, for all the countries of Central and Eastern Europe, accession partnerships and enhanced pre-accession aid. It further instructed the Commission to draw up regular reports on the applicant countries, in order to monitor the progress towards accession achieved by each, in relation to the Copenhagen criteria and the integration of the *acquis communautaire*.

3. On 4 November 1998, accordingly, the Commission published its first evaluation report on Romania's progress towards accession. The European Parliament expressed its position on this document on 3 December 1998, in a report drawn up by Mr Pierre Bernard-Reymond (A4-0428/98). The main conclusion of this report was that *'it would be premature to open accession negotiations with Romania in 1999, although there can be no doubt about its aspiration to become part of the European Union'*.
4. Despite this, the Helsinki European Council (10 and 11 December 1999), the Heads of State or Government, approving the new Commission's accession strategy submitted on 13 October 1999¹, decided to open negotiations with all the applicant countries of Central and Eastern Europe, thus ending the distinction between 'ins' and 'pre-ins'. This new strategy, which was approved by the European Parliament on 16 December 1999, was intended to have the following positive effects. It was to provide the governments of

¹ COM(1999) 500.

applicant countries with an incentive to accelerate the integration of the *acquis communautaire*, and aimed at facilitating comprehension and acceptance of the necessary, if painful, reforms by the citizens of applicant countries.

Accession negotiations with Romania were formally launched on 15 February 2000. On that occasion, the Romanian Foreign Minister, Mr Petre Roman, declared 1 January 2007 as the target date for accession. Since of the 31 chapters that have to be negotiated, only five have been completed so far¹, this target date may be overly optimistic, even if four new chapters are due to be opened before the end of the year².

5. The conclusions of the Commission's 1999 report are confirmed by your Rapporteur, who has made frequent visits to Romania in the last year. Romania has made progress, but so far it remains insufficient given the scale of the reforms needed. This report will highlight the most important factors, both positive and negative, that affect Romania's accession process. It is hoped that the report will provide encouragement to the country's citizens and authorities to push forward the reforms, however painful in the short term, that are necessary if accession negotiations are to be completed within a reasonable time frame.

II. BRIEF ANALYSIS OF THE 1999 REGULAR REPORT

A) Romania and the Copenhagen political criteria

6. The Commission's 1999 report makes it clear that in overall terms Romania meets the Copenhagen political criteria.

In the area of civil liberties, there have been significant improvements, notably the establishment of an ombudsman, and the announcement that the police force is to be demilitarised. Nonetheless, there remain concerns about conditions in prisons and police stations, and about the freedom of the press, which is jeopardised by instances of prosecution of journalists who are critical of the government.

The issue of minority rights has been greatly improved due to a new education law, adopted in July 1999, and the creation of an inter-ministerial committee responsible for national minorities. The law established a legal framework enabling the creation of multicultural universities; it also recognises the right of national minorities to be educated in their mother tongue at all levels and in all types of educational establishment, provided there is sufficient demand. In this connection, it has been decided to set up a university teaching in Romanian, Hungarian and German, but this has yet to be done. In June 1999, the Romanian Government signed an agreement with Hungary providing for more education in Hungarian and for student exchanges. In addition, the new local government law stipulates that local authorities shall deal with members of minorities in their own language in all cases where a minority forms at least 20% of the local population. The situation of the Roma communities in Romania, like those of neighbouring Eastern European countries, remains problematic.

¹ These are SMU, science and research, education, external relations and the CFSP.

² Statistics, culture and the audiovisual sector, competition policy and telecommunications.

Lastly, it should be noted that in 1999 the Romanian Government resorted to legislation by decree less frequently than in 1998, which is a good sign, even if the ruling coalition remains fragile and it has not always been easy to secure political consensus over reforms.

Overall, the Commission's view that Romania meets the Copenhagen political criteria can be endorsed, on the assumption that the authorities continue to give priority to dealing with the crisis in their childcare institutions. This question, together with the issue of corruption, will be dealt with in more detail in chapter IV.

B) Romania and the Copenhagen economic criteria

7. As the Commission's report makes clear, GDP registered negative values during the last three years (-6.1% in 1997, -5.4% in 1998, -3.2% in 1999). During the first six months of this year, however, GDP has grown by 2.1%, which makes it possible to fulfil the objective of a 1.5% annual growth rate established by the government. Nevertheless, successive government policies pursued since the return to democracy have had little effect on the major macro-economic imbalances. In 1999, for instance, foreign debt stood at \$8.19 bn and inflation had risen to 55% by the end of the year, although it is expected to decline during 2000.

Structural reforms are essential if public spending is to be contained in the medium term. This must include, in particular, reorganisation of health and welfare and tax reform.

8. There are some positive developments in the important process of privatisation. In the second half of 1998, 48 state-owned big companies were sold off, followed by 70 in 1999 (as against 37 in 1997). It would therefore seem that the restructuring of the big state-owned enterprises is proceeding only slowly. In total, 6350 companies were privatised between 1992 and 1999 (1401 of them during 1999) and a further 2505 remain to be privatised. The proportion of the private sector's contribution to the economy has overall remained constant since 1997 at around 59 % of GDP. Special attention should also be paid to small and medium-sized enterprises which may contribute to the creation of many new jobs and offer alternative economic opportunities.
9. In the agricultural sector, 80% of the land has been privatised. The return of state-owned land and forest is proceeding only hesitantly, however, and there are inadequacies in the management of the land register. This hinders the proper functioning of the property market, and effectively holds back agricultural modernisation. It should be stressed that Romania has great potential in the agricultural and agri-foodstuffs sectors, including a wine-growing sector that produces quality wines.
10. These considerations support the Commission's view that '*Romania cannot be considered as a functioning market economy*' and '*is not able to cope with competitive pressure and market forces within the Union in the medium term*'. The regular report underlines that Romania has been suffering from the absence of a clearly defined economic strategy and from a lack of consensus within the ruling coalition on the direction of economic reform. Fortunately, the situation now looks set to change.

11. Accordingly, on the basis of the above recommendations, on 16 March 2000 the government adopted a medium-term economic strategy (MTES) which secured the backing of all political parties, the government and the President of Romania. It will be implemented by means of an action plan adopted at the end of May 2000, although this has failed to secure the support of the opposition.

It should be noted that the Commission, the International Monetary Fund and the World Bank support these two documents.

12. The MTES analyses the current economic situation and identifies Romania's structural, institutional and macro-economic weaknesses, with the aim of preparing the country's economy for the challenge of accession in 2007. Four intermediate objectives are identified: clarification of property rights, adoption of economic regulations where these are lacking, improving financial discipline and reducing the size of the 'informal' sector.
13. The aim of the action plan is to achieve sustainable macro-economic stabilisation within 2-3 years through a combination of stringent measures in the field of macro-economic policy and structural reform both for enterprises and the financial sector. The aim is to achieve growth in GDP of 6% by 2004, cut inflation to 9%, stabilise the budget deficit at 3% of GDP and bring down unemployment to 9% of the working population. Reforms are also to be introduced in the fields of health, pensions, education and infrastructures.
14. Romania will thus have to implement the MTES in a consistent manner throughout the scheduled period if it wants to become a member of the European Union within a reasonable time frame.
15. These new economic guidelines were welcomed by the international financial institutions and the Commission, with the IMF extending the stand-by agreement until February 2001 and granting Romania a loan of USD 116 million, the World Bank granting a loan of USD 450 million and the European Union providing a loan of €200 million in the form of balance of payments assistance. It is worth remembering that between 1990 and 1999 the European Union provided assistance to Romania under the PHARE programme totalling €203 million and that as part of the pre-accession strategy Romania will receive some €30 million per year from 2000 to 2002 under the PHARE, ISPA and SAPARD programmes.

C) Analysis of the integration of the *acquis communautaire*

16. In the area of the internal market, the Commission notes that the integration of the *acquis communautaire* is still proceeding slowly, despite progress made in fields such as public procurement, the banking sector and financial control.

In the field of standards and certification, some progress has been achieved, but the lack of an overall legislative framework remains a handicap. The bankruptcy law has still not been brought into line with the '*acquis*', despite numerous modifications.

By contrast, the adoption of a new law on controls on State aids marks a significant step forward, although implementation in accordance with the '*acquis*' will be a challenge. As

mentioned above, the conversion of State-owned concerns into commercial public companies is moving forward, although difficulties remain regarding the commercial competitiveness of former State monopolies.

17. Veterinary inspections, especially at border crossings, need to be aligned with EU standards, and the agri-food sector is in need of modernisation. Visible progress has been made in transport legislation, where maritime and road safety now need to be addressed.

18. Environmental concerns have not been sufficiently addressed and some foreign companies have exploited shortcomings in Romania's environment laws to pursue practices that are outlawed elsewhere, not least in their countries of origin. Unfortunately, Romania is not the only country in this situation. In any event, the Baia Mare accident stands as a reminder that environmental protection often goes beyond the frontiers of a single country and that the introduction of stringent environmental standards is in the interests of all concerned. In addition, this accident may not be an isolated one: the Romanian Minister for the Environment has himself calculated that there are 47 'hot spots' which can be deemed of high risk for the environment. Unfortunately, environmental protection requires costly investment. According to the Delegation of the Commission in Bucharest, €20 bn would be needed to protect the environment in Romania.

Finally, in this context, the agreement recently concluded between Romania, Hungary, Slovakia and the Ukraine, which allows for joint action when pollution occurs, should be welcomed.

19. Regarding third-pillar matters, progress has been achieved in the area of justice and, to some extent, in border management, the police and immigration. Swifter progress is, however, needed in the fields of asylum policy and drugs control.

III. ROMANIA: A FACTOR FOR STABILITY IN SOUTH-EAST EUROPE

20. Romania's strongest asset lies in the field of the second pillar, the CSFP. When Romania joins the Union, its outer borders will become one of the EU's external frontiers. The country's location is in a region which is of key sensitivity for security in Europe, bordering as it does the Ukraine, Moldova, on former Yugoslavia (Serbia), and on the Black Sea area.

During the war in former Yugoslavia, Romania consistently supported the Atlantic Alliance, monitoring the Danube embargo following the war in Bosnia and supporting the operations against the Federal Republic of Yugoslavia in the recent NATO intervention in Kosovo. Romania is currently participating in KFOR.

21. Romania's wish to become part of the Euro-Atlantic structures is evident from its applications for EU and NATO membership. Romania is a participant in the Partnership for Peace, the Euro-Atlantic Partnership Council (EAPC) and the Membership Action Plan (MAP). In this connection, it has undertaken to modernise its armed forces with a view to interoperability within NATO. Romania may be expected to be included in the next wave of NATO enlargement, to be decided at the NATO summit scheduled for 2002.

22. In addition, Romania is a participant in a number of regional projects whose objective is to promote stability and cooperation among the countries of the region. These include the South-East European Cooperation Initiative (SECI), the South-East European Cooperation Process (SEEC¹), the Stability Pact for South-East Europe, the Black Sea economic cooperation area, the 'Transport Corridor Europe Caucasus Central Asia' (TRACECA), the Central European Initiative (CEI), the Central European Free Trade Agreement (CEFTA), the South-Eastern Europe Defence Ministerial (SEDM), and the consultation forum for security in south-east Europe set up following NATO's Washington summit (April 1999). Lastly, Romania has held the Presidency of the OSCE since the beginning of the year.
23. A further important geographical asset of Romania is the Danube. Through the canal that links it to the Rhine, the Danube (yet to be reopened to water traffic after the recent conflict) provides a strategically important means of access to the countries of the southern Caucasus.

IV. THE OBSTACLES TO ACCESSION

24. While all accession countries face the same challenge of incorporating the *acquis communautaire* into their respective legal systems, each country has areas that invite particular attention. For Romania, these are the problem of children in institutions; corruption; and the reform of public administration.
25. The problem concerning children is one that the Commission takes seriously: *'The Commission considers that, at the moment, Romania still fulfils the Copenhagen political criteria although this position will need to be re-examined if the authorities do not continue to give priority to dealing with the crisis in their child care institutions'*.

According to the Commission, the number of children in Romanian institutions is 147 000², a reminder that the rights of these children to decent living conditions and basic health care is this human rights issue. Most of them are neither orphans nor handicapped, and in 1997 the authorities embraced international adoption as an obvious and financially viable solution. Unfortunately, this practice continues to give rise to abuses. Legislative reform and the creation of new welfare systems, as well as a full-scale public education system are needed to create a social framework within which families will be supported to keep their children and within which institutions will be encouraged to place children in birth or other local families. For its part, the Commission is willing to provide € 27 million under the PHARE programme to support this measure. Children with severe disabilities who cannot be placed in families will need special facilities with suitable qualified carers.

Lastly, to help resolve this problem more quickly, a small high-level group on children's welfare has been set up with the participation of the Prime Minister of Romania, Mr Mugur Isarescu, Commissioner Günter Verheugen and your rapporteur. This group has received the backing of the World Bank, the WHO (World Health Organisation) and UNICEF.

¹ This cooperation process also has a parliamentary dimension: a joint declaration was adopted on 23 February 2000 in Sinaia (Romania) on the occasion of the second conference of foreign affairs committee chairmen of the parliaments of the countries participating in the South-East European Cooperation Process. The European Parliament was present, with guest status and in the person of your rapporteur.

² The Romanian National Child Protection Agency puts this figure at around 62 500.

In response to the demands made by the Helsinki European Council, the government created a new Child Protection Agency whose director assured European Parliamentarians at a hearing on 4 April 2000 in Brussels that he and his staff would make every effort to implement the Declaration of the Rights of the Child. The European Parliament will closely monitor the fulfilment of this promise.

26. The second major problem that Romania has to resolve is that of corruption. The Commission notes that *'corruption is still a widespread problem in Romania'*. Romania's willingness to fight the problem was underlined at an international conference on the fight against corruption in Bucharest in March 2000. In May 2000 a law on preventing and combating corruption was adopted and a special anti-corruption unit was set up at the Court of Justice. In any case, greater transparency and better cooperation and coordination are needed between the various bodies responsible for the fight against corruption to make it more effective.
27. A related problem is that of the reform of public administration. It must be noted that higher and intermediate levels of the Civil Service still remain highly politicised. Two laws were adopted in 1999, however, one on the regulations governing civil servants and the other on ministerial accountability. In addition, a civil service ministry and a national agency for civil servants were introduced at the beginning of the current year, both steps in the right direction.
28. In a structural overhaul of the government in December 1998, the number of ministries was cut to 15. However, 36 departments and agencies were placed directly under government control, 29 of them depending directly on the Prime Minister's office. The effect of this reorganisation on efficiency and transparency will now need to be monitored.

At local government level, decentralisation has not been backed up by the necessary transfers of financial resources and staff. This has negatively affected efforts to solve problems such as that of children in institutions.

V. CONCLUSIONS

29. Romania's path to EU accession remains long and will have to include difficult steps. The EU can play an important role by sending out positive and encouraging signals to Romania. The Union could, for example, remove the visa requirement for Romanian citizens, but this would, of course, necessitate rigorous border checks from Romania, in accordance with EU practice and law.
30. The objective of the Accession Partnership with Romania¹ is to establish a single framework for the priority areas of work defined in the 1999 regular report, the financial resources available to assist Romania in implementing these priorities, and the conditions governing such aid. This partnership has been defined on the basis of the national programme for adoption of the *'acquis'*, whose 1999 version was submitted to the Commission on 14 June 1999. It emerged from this text that this programme did not emphasise actual priorities, in the light of the available budgetary resources. Furthermore, no mechanism for assessing the general economic consequences of the integration of the different areas of the *'acquis'* or the

¹ See Council Decision 1999/852/EC of 6 December 1999 (OJ L 335, 28.12.1999, p. 15).

cost entailed to society was established. This has been remedied to some extent, for example, the environment sector, where a global strategy for implementing the *acquis*, including provision for funding, has been submitted by the Ministry of the Environment. In general terms, it should be stressed that the national accession programme has been updated so as to take account of the targets set in the MTES.

31. Indeed, the medium-term strategy represents a useful and consensual tool which should guide government action. It is therefore to be hoped that the accession negotiations will act as a stimulus for the government and the Romanian population to redouble their efforts to make accession possible within a reasonable time frame and adopt a new approach towards the many problems Romania still has to face. The success of these efforts will be of vital importance not only for the stability and prosperity of the new democratic Romania, but also for that of the European Union.