

Croatia: progress report 2008

European Parliament resolution of 12 March 2009 on the Croatia 2008 progress report

The European Parliament,

- having regard to the decision adopted by the Council on 3 October 2005 to open accession negotiations with Croatia,
 - having regard to its resolution of 10 April 2008 on Croatia's 2007 progress report¹,
 - having regard to the Croatia 2008 Progress Report, published by the Commission on 5 November 2008 (SEC(2008)2694),
 - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas Croatia has made substantial progress across the board in all three areas covered by the Copenhagen criteria,
- B. whereas these considerable achievements need to be consolidated and matched by sustained efforts to adopt and implement the reforms addressed in the Commission's report and in this resolution,
- C. whereas the EU has taken steps to enhance the quality of the enlargement process,
- D. whereas the Commission Communication of 6 November 2007 entitled "Enlargement Strategy and Main Challenges 2007-2008" (COM(2007)0663) lays great emphasis – from the early stages of the accession negotiations – on the rule of law and good governance, with particular reference to combating corruption and organised crime, to administrative and judicial reform and to the development of civil society,
- E. whereas the conclusion by 2009 of accession negotiations with Croatia must remain the common objective of all the parties involved,
- F. whereas the killings and attacks that took place in 2008 have highlighted the need to tackle seriously and expeditiously corruption and organised crime in Croatia,
- G. whereas a new Minister of the Interior, a new Minister of Justice and a new Head of the Police have been appointed and entrusted with the task of addressing these issues,

General remarks

1. Commends Croatia for the good results it has achieved during 2008 in adopting the legislation and carrying out the reforms required to qualify for EU membership;
2. Is particularly pleased to note that legislative and regulatory work has finally been matched

¹ Texts adopted, P6_TA(2008)0120.

by efforts to strengthen and improve the administrative capacity required to implement such reforms;

3. Is confident that the goal of concluding negotiations in 2009, in accordance with the indicative road map published by the Commission, can be achieved, provided the Government of Croatia steps up its efforts to address particularly the more sensitive issues linked to the accession process, including fighting organised crime and corruption, and finally meets the benchmarks in these areas, and also provided the Council is willing and able to open all negotiation chapters without further delay;
4. Welcomes the Commission's recommendation that the Council should set up the ad hoc technical working party in charge of drafting the Accession Treaty; also recommends that this group should work in parallel with the negotiations and therefore start its work during the first half of 2009; in addition, welcomes the Commission's intention to present a communication in the course of 2009 detailing the financial impact of the accession of Croatia to the EU;

Political criteria

5. Is satisfied with the progress achieved as regards the adoption of key documents and key legislation in certain areas, notably anti-discrimination, women's rights, minority rights and return of refugees; points out that swift and effective implementation is now crucial;
6. Points, however, at the need to pursue the reform of public administration with the introduction of a new salary system and a comprehensive overhaul of administrative procedures in order to increase transparency, accountability and de-politicisation of the Croatian civil service; calls for specific attention to be paid to the regional and local administrations since their ability to take on new responsibilities is crucial to the success of the decentralisation process;
7. Underlines the importance of providing legal certainty and equality before the law to foreign investors, and in this context urges the Croatian authorities to address promptly the outstanding cases concerning property restitution, in line with the relevant rulings of the Croatian Constitutional Court;
8. Believes that more earnest efforts need to be made in the judicial sector in order to address the root causes of the backlog and of the excessively long judicial procedures, to kick-start a serious and comprehensive court rationalisation, covering all types of courts, to introduce an objective and transparent selection procedure as well as individual evaluation and promotion criteria for judges, to ensure that war crimes are treated in accordance with common standards, irrespective of ethnicity, and, finally, to find ways of addressing the problem of *in absentia* verdicts and trials, notably by means of strengthened regional cooperation;
9. Takes note of the statement made by the Prosecutor of the International Criminal Tribunal for the former Yugoslavia before the United Nations Security Council on 12 December 2008, in which he indicates that Croatia has responded to most requests for assistance made by the Office of the Prosecutor, whilst pointing out that certain key military documents relating to the Gotovina case remain unaccounted for; urges the Government of Croatia to step up its efforts to make these key documents available immediately to the Tribunal;

10. Welcomes the fact that the Croatian Government has finally taken additional measures to tackle corruption and organised crime; emphasises that the increased investigative and prosecutorial activities of the Office for the Fight against Corruption and Organised Crime (USKOK) must be matched by equal police and judicial efforts if these activities are to produce results; is of the opinion that zero tolerance must be shown at all levels and that verdicts must be reached and enforced, including the seizure of assets; welcomes in this regard the adoption of legislation relating to the temporary freezing of assets of all individuals accused of corruption and organised crime;
11. Is pleased to note the official opening in four different courts of departments dealing specifically with the fight against corruption and organised crime, and that the sixty judges assigned to these departments have been vetted and will receive substantial financial incentives to reflect the complexity and sensitivity of the tasks they have to carry out;
12. Calls in this context on the Croatian Government to ensure that the police and the judiciary are granted the freedom and independence of action as well as the human and financial resources needed in order to accomplish their mandate in the fight against corruption and organised crime;
13. Is satisfied with the freedom of the press in Croatia but draws attention to recent cases of intimidation and even killings of journalists investigating cases of corruption and organised crime; calls on the police and the judiciary to take resolute action to investigate and prosecute these cases so as to re-establish a positive climate in the country and to ensure continuing compliance with the political criteria for accession; stresses in this regard the need for full protection of human rights, which are not politically negotiable;
14. Is pleased with the Croatian Government's adoption of an action plan for the implementation of the constitutional law on national minorities and with the increase in funding; urges the Croatian authorities to implement the plan in close consultation with non-governmental organisations representing the minority communities; emphasises, moreover, the need to concentrate on the economic and social rights of minorities, in particular their access to employment, and to devise a long-term strategy for employment of members of minorities in public administration and the judiciary; calls, furthermore, for the Councils on National Minorities to enjoy budgetary autonomy from the local authorities they are expected to advise, so that they can exercise their mandate in full independence;
15. Welcomes the achievements made in the area of the policy on minorities in Croatia, in particular the fact that both educational opportunities and parliamentary representation have been secured for the minorities in the country;
16. Welcomes the continuing progress as regards the education of minorities; is concerned, however, that current structures maintain segregation rather than aiming at integration of different ethnic groups (e.g. by means of shared classes); is also concerned, particularly in the case of Roma, that these arrangements might lead to a quality of education inferior to that in mainstream classes;
17. Takes note that, whilst tangible results have been achieved in providing the conditions for refugee returns, much remains to be done in order to make these returns sustainable in terms of housing, particularly for former holders of tenancy rights in urban areas, of integration, and of access to the labour market; stresses the need to implement the return programmes in a manner coherent with other social and employment programmes;

18. Welcomes, furthermore, the adoption of comprehensive anti-discrimination legislation and attaches great importance to the implementation of its provisions in fact; calls on the authorities, at national and local level, to show zero tolerance towards episodes of racial hatred and any other form of hatred and ensure that such episodes are duly prosecuted; invites the national authorities, furthermore, to protect the rights of sexual minorities;

Economic criteria

19. Is encouraged by the increase in employment and the sustained economic growth recorded by Croatia; points, nevertheless, to persisting high unemployment rates amongst young people and minorities and to the impact which higher food prices and, more generally, inflation are having on the livelihood of ordinary citizens;
20. Points to the need to tackle the growing trade and current-account deficits, as well as external debt, which make the Croatian economy more vulnerable and exposed to risks; emphasises that, in order to maintain the current economic growth level and enable Croatia to catch up with EU Member States, it will be necessary to accelerate the pace of structural reforms;
21. Draws attention to the need to promote, in close consultation with all stakeholders, a policy reconciling energy security with sustainable development; calls on the Croatian authorities to comply with the goals laid down in the EU climate package and give adequate priority to energy efficiency and renewable sources of energy, particularly in coastal areas; reminds Croatia of the financing opportunities offered by the EU for the Mediterranean in this respect; welcomes the adoption of an action plan for implementing the Kyoto Protocol and calls on the authorities to take all appropriate steps effectively to reduce industrial emissions;

Ability to assume the obligations of membership

22. Is generally pleased with the overall pace of legislative alignment; believes, however, that greater attention should be paid to the quality of legislation; encourages the Croatian authorities to pursue their efforts to develop the administrative capacity required to implement the *acquis*;
23. Welcomes the progress in the privatisation process underway in the steel and telecommunications industries and the decision by the Croatian authorities to proceed with tenders for the privatisation of the Croatian shipyards, which should be completed in 2009, and emphasises that the sale of shipyards must take place in full transparency and in compliance with EU competition standards; calls on the Croatian Government, with the support of the Commission, to adopt specific measures to offset the social costs of the restructuring; invites the Commission and the Council to take into account the current economic and financial crisis when reviewing progress by Croatia in implementing the necessary reforms;
24. Notes that progress in the agricultural sector has been uneven, with the situation in the areas of quality policy and organic farming being well advanced while the capacity to absorb rural development funds needs to be improved; stresses that increased administrative capacity and reform of the agricultural support systems are necessary in order to achieve a smooth transition to the EU Common Agricultural Policy regime and to minimise the social impact of such a transition;

25. Invites the Croatian authorities to show good absorption of EU pre-accession funds and to prepare at all levels – central, regional and local – the structures and know-how required for the EU Structural and Cohesion Funds;

Regional Cooperation

26. Deeply regrets that accession negotiations have been effectively blocked for a considerable time because of bilateral issues;
27. Underlines that bilateral issues should not be an obstacle to progress in accession negotiations, provided these negotiations are not used to pre-empt the final settlement of such issues; urges, nevertheless, the Croatian Government and the governments of the neighbouring countries to solve expeditiously all their outstanding issues;
28. Stresses that good neighbourly relations remain a key element of the European integration process, and invites Croatia and its neighbours actively to promote cooperation in the region and to invest more in cross-border cooperation projects;
29. Recalls the informal agreement reached on 26 August 2007 by the Prime Ministers of Croatia and Slovenia on the submission of their border dispute to an international body; welcomes the readiness of Croatia and Slovenia to accept the mediation offer made by the Commission and takes the view that this mediation should be based on international law; in this context, looks forward to a rapid advancement of the accession negotiations;

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