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ON THE PROJECT

The future development of the European Union will be determined by two processes: the accession of ten and even more countries, and the ongoing process of internal reform and deepening of European integration, known as Agenda 2000 and more recently the European Convention. Both processes are closely linked and will change the face of the Union in the 21st century.

T.E.P.S.A. – Institutes in the 15 EU-countries and the four associated partner institutes from Central and Eastern Europe initiated this semi-annual stock-taking in order to monitor the main features and problems of the accession and negotiation process as well as positions and bargaining strategies of the actors involved. A standardised questionnaire was used by all institutes. Due to the specific position of the applicant countries, country reports from the Czech Republic, Hungary, Poland and Slovenia are presented in a separate section of this survey.

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This survey was conducted on the basis of a questionnaire, sent out in February 2003. Most institutes replied until the beginning of May 2003. Issues of Enlargement-Watch are available on the World Wide Web (<http://www.tepsa.be>) and on the homepages of the T.E.P.S.A.-Institutes. The current issue covers the time period between October 2002 and April 2003.

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TABLE OF CONTENTS

INTRODUCTION	4
TABLE OF MAIN EVENTS	7
LIST OF ABBREVIATIONS	10
I. ANALYTICAL SURVEY BY EU-COUNTRIES	11
1. Conclusion of the accession negotiations	12
2. Ratification of the treaties	38
3. Continuation of the accession negotiations	43
4. New neighbourhood policy	55
5. Problems after the big bang enlargement.....	61
6. The process from Copenhagen to Copenhagen	76
II. ANALYTICAL SURVEY BY APPLICANT COUNTRIES	
(Czech Republic, Hungary, Poland, Slovenia)	89
1. Conclusion of the accession negotiations	90
2. Ratification of the treaties	105
3. Continuation of the accession negotiations	107
4. New neighbourhood policy	110
5. Problems after the big bang enlargement.....	113
6. The process from Copenhagen to Copenhagen	121

INTRODUCTION

On 1 May 2004 the EU will enlarge to 25 member states. In Copenhagen, in December 2002, after long and often protracted negotiations, the EU met the “historic opportunity and political challenge” (Madrid European Council) and changed the political landscape of post-communist Europe. It decided to include eight countries from central and Eastern Europe that successfully managed transformation of politics, economy and society. Moreover, the accession of Malta and (yet divided) Cyprus strengthens the EU’s presence also in eastern Mediterranean. Thus the EU and the candidates had come full circle from the Copenhagen summit in 1993 when the EU declared its readiness to take in countries that fulfil all political and economic criteria of membership and thereafter launched a pre-accession strategy to direct and monitor adaptation processes in the candidate countries. On 16 April 2003 in the Ancient Agora of Athens 25 heads of state and government as well as the foreign ministers signed the accession treaty and closed the chapter of Europe’s post-war division.

However, shadows of the future (like the war in Iraq and the transatlantic tensions over the new world order) and shadows of the past (like the postponed reforms of EU institutions and policies) made this long prepared moment appear less spectacular and also less joyful than it deserved. Member states are uncertain what they will gain or lose from enlargement and they are concerned about the implications for the functioning of the EU. Talk is even of enlargement as a “leap in the dark” (see the French country report, p. 20). All eyes are now on the European Convention which shall mend divisions over basic outlooks on integration and which shall address all those problems of the EU’s architecture that have been dealt with dilatory and half-heartedly over the nineties. Today, representatives from 28 countries and the EU institutions are involved in writing a constitution for an ever larger EU. The coincidence of the biggest enlargement in the history of the Community and the leap towards a more fundamental revision and rewriting of the treaties stirs up governments but so far has not unleashed powerful reform strategies.

Both aspects (widening and deepening) are reflected in the country reports, which we present in No. 6 of *Enlargement/Agenda 2000-Watch*. This issue covers the period of the endgame of accession negotiations in autumn 2002 and the signing of the treaties in April 2003. It evaluates the outcome from the perspective of 13 member states and four acceding countries.

The reports show that the governments of the member states and the acceding countries think that the overall deal, i.e. the terms of accession are a good compromise. Of course, double standards in CAP remain controversial although the EU will gradually introduce direct payments for farmers in the CEEC, however below levels for the current EU-15. Earlier critique is repeated vis-à-vis transition periods that have been claimed by current member states (e.g. in chapters like transport, movement of workers etc.) and where the EU used its superior bargaining power. Still Austria is dissatisfied with only partial extension of the eco-point system for road transport of heavy goods. In quantitative terms transition periods claimed by acceding countries by far outnumber those claimed by the member states. However, the transitions granted indicate different economic capacities and also diverging political preferences of both negotiation parties.

In Copenhagen the EU made concessions with regard to the financial package of enlargement. It remained below the Agenda 2000 ceiling but introduced some special arrangements (like the cash flow facility; temporary budget compensation; the increase of quotas to top up direct payments; the reshuffling of money from structural funds to CAP) to meet immediate interests of the candidates.

Maximum enlargement-related appropriations for commitments 2004-2006
(for 10 new Member States)
(€ mio. 1999 prices)

	2004	2005	2006	2004-2006
Heading 1: Agriculture	1.897	3.747	4.147	9.791
<i>of which:</i>				
1a - Common Agricultural Policy	327	2.032	2.322	4.681
1b - Rural development	1.570	1.715	1.825	5.110
Heading 2: Structural actions after capping	6.070	6.907	8.770	21.747
<i>of which:</i>				
Structural Fund	3.453	4.755	5.948	14.156
Cohesion Fund	2.617	2.152	2.822	7.591
Heading 3: Internal policies and additional transitional expenditure	1.457	1.428	1.372	4.257
<i>of which:</i>				
Existing policies	846	881	916	2.643
Transitional nuclear safety measures	125	125	125	375
Transitional institution building measures	200	120	60	380
Transitional Schengen measures	286	302	271	859
Heading 5: Administration	503	558	612	1.673
Total maximum appropriations for commitments	9.927	12.640	14.901	37.468
Heading X	1.273	1.173	940	3.386
<i>of which:</i>				
Special cash-flow facility	1.011	744	644	2.399
Temporary budgetary compensation	262	429	296	987
commitments + Heading X	11.200	13.813	15.841	40.854

© Lippert/IEP 2003, source: accession treaty

Thus Agenda 2000 survived in Copenhagen; but the real test case for the EU's enlargement capacity is the next round of budgetary negotiations. Fear of overstretch and overburdening of the EU-25 is the subtext of many statements which say "Yes, Copenhagen was a reasonable deal, but...." Despite the overall success of the enlargement process the decoupling from the process of EU reforms is now regarded as a crucial weakness of the EU's policy over the last years. However, no problems are foreseen with regard to the ongoing ratification process in old and new member states including referenda, which still have to be won in Estonia and Latvia. Many reports praise the Commission, which played a key role in the whole enlargement process.

There is a general expectation that the conclusion of negotiations with Bulgaria and Romania will be a routine matter so that the two countries will be members in the year 2007 or so. Specific implications of their membership are rarely discussed, e.g. in terms of migration or the budget. Most controversial is the further treatment of Turkey. The commitment of the EU to decide at the December summit in 2004 on the opening of negotiations puts time pressure on the political class and public opinion which is in many member states largely divided (as in Germany, France and also Finland) on the issue. Most countries see accession of the countries of the western Balkans as a problem of the not so near future, perhaps a delusion at least as far as Croatia is concerned.

There is also a growing awareness that the EU must develop a more strategic and effective approach towards the new neighbours. The Polish country report outlines the initiative of the Polish government for an Eastern dimension of the EU's foreign policy. Compared to reports of other new and old members it seems very outspoken in terms of warnings against a "Russia first policy" and for giving the Ukraine a membership perspective. Here the EU still has to develop a common approach of the 25.

Given the concerns of overstretch and overburdening the items on the post-enlargement agenda are quite clear and must soon be addressed:

- 1) Negotiations for a new financial framework for the period 2007-2013 will probably see a return of the debate on the British rebate. More original proposals for a reform of the own resources system are rarely mentioned. It is doubtful whether the "Agenda 2007" will be discussed in a different framework set by provisions of a European Constitution (e.g. on obligatory/non-obligatory expenditure; powers of the EP; EU-taxation). Enlargement will affect the net payer/recipient positions of member states which could provoke more openness to examine reform proposals on the revenue and the expenditure side of the budget. In Nice, under pressure from Spain it was agreed that decisions on structural funds would be taken by unanimity up to 2007. Consensus on the financial package in a EU of 25/27 will be expensive as long as the veto power of governments determines bargaining.
- 2) Apparently, reform of CAP is imminent and member states examine already reform elements presented in the Commission's mid-term review (modulation; decoupling of production and subvention; degressivity, milk quota etc.) in light of their interests. Moreover a solution for regions which will – after 2007 in the enlarged Union – lose their objective-1 status must be found in the context of a comprehensive reform. Overall, quite conservative approaches to policy reforms prevail.
- 3) The problems of a two class EU and scenarios of a core and a wider EU as well as the relationship between small opposed to big countries are frequently mentioned in the country reports. The big/small countries-cleavage could influence intergovernmental bargaining, also with regard to a new financial framework more directly than in the past where issue based political coalitions prevailed. Interesting observations are made in reports on current member states (see the Spanish and French report) on their expected increase or more often decrease of influence in the enlarged EU.
- 4) As to the effectiveness and legitimacy of policy-making in the EU-25 hope rests mainly on the European Convention and the upcoming Intergovernmental Conference. For a more detailed insight into the national debates on these issues we also refer to two recent projects of TEPSA "CEEC-debate" and "Convention Watch" (www.tepsa.be).

Finally, public opinion in the EU-15 is still relaxed and rather cool towards enlargement. Knowledge of and interest in the new members is mostly limited to direct neighbours. Perceptions are influenced by historic national stereotypes and recent touristic experience. There is little enthusiasm or curiosity as to the new EU partners. As the EU enters thrilling times this will certainly change.

The country reports presented in this issue show a strong convergence in assessing the enlargement process as a joint political success and in identifying future problems. Admittedly, the picture is more diverse when it comes to preferences for solving these problems. Here domestic political constellations and restrictions, national idiosyncrasies and priorities play an important role and highlight differentiation between member states. In the enlarged EU it will become even more important to learn more about how European topics are discussed in the member states and how to find common ground for EU-policy making. We therefore hope that readers find this insight into national debates informative and interesting.

*Barbara Lippert
Berlin, June 2003*

MAIN EVENTS FROM OCTOBER 2002 TO APRIL 2003

- 24-25 October 2002** European Council in Brussels. The EU-15 approve the Commission proposal, according to which accession negotiations shall be concluded with 10 countries during the Copenhagen European Council in December 2002. Furthermore, common negotiating positions with regard to direct payments, structural funds, budgetary compensations and transitional institutional arrangements are agreed.
- 28 October 2002** During a “mini-summit” in Copenhagen, the results of the Brussels European Council are debated between the 13 candidate countries and the Danish presidency.
- 8 November 2002** A negotiating meeting at deputy level is held with the candidate countries in Brussels.
- 11 November 2002** At the EU-Russia summit in Brussels, a Joint Statement on Kaliningrad is adopted, which foresees the introduction of a Facilitated Transit Document (FTD) by the European Union on 1st July 2003.
- 13 November 2002** The Commission presents revised roadmaps for Romania and Bulgaria, which propose that accession of these two countries to the EU would take place on 1st January 2007.
- 15 November 2002** In a joint statement adopted in Warsaw, the heads of government of the Laeken group candidate countries define some common positions with a view to the endgame of negotiations.
- 18 November 2002** Foreign Ministers from the 15 EU countries and 10 candidate states come together in the framework of the General Affairs Council. The meeting aims at getting a picture of remaining problems of the negotiation process, as well as clarifying the national positions. The accession date of 1st May 2004, which has already been debated during the Brussels summit, is affirmed.
- 19 November 2002** For the first time, representatives of all 13 candidate countries participate in an extended plenary session of the European Parliament.
- 20 November 2002** The European Parliament approves a resolution on the progress made by each of the candidate countries towards accession (Brok report).
- 25 November 2002** The Danish Presidency presents its compromise packages for the final negotiation phase to the candidate countries. These packages contain some important concessions compared to the agreement reached by the EU-15 in Brussels and thus entails, shortly before the Copenhagen summit, heavy debate among EU member states about the financial implications of enlargement.
- 2-3 December 2002** Deputy-level negotiating meeting with all 10 applicants with which negotiations shall be concluded in Copenhagen. As first of the candidates, Cyprus closes all 30 chapters.
- 9-10 December 2002** Negotiating meeting with 10 applicants at ministerial level in the framework of a General Affairs Council meeting.

- 12-13 December 2002** European Council in Copenhagen. Accession negotiations are concluded with the Czech Republic, Cyprus, Estonia, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia and Hungary. Some important last-minute concessions vis-à-vis the decisions of the Brussels summit in October and the Danish compromise packages have still to be made by the Heads of State and Government of the EU-15. Nevertheless, the financial package falls still below the figures agreed at the Berlin European Council in March 1999.
- 22 January 2003** The European Commission adopts a package of proposals for reform of the Common Agricultural Policy, thereby trying to implement the CAP mid-term review (July 2002) in line with the agreed financial provisions as they have been agreed on the occasion of the Brussels European Council (October 2002).
- 1st February 2003** The Treaty of Nice that has been designed in order to prepare the European Union for the accession of at least ten new member states, enters into force.
- 11 February 2003** The European Commission agrees its proposal for adapting the financial perspective 2004-2006 to meet the demands of enlargement.
- 19 February 2003** The Commission of the European Union adopts its favourable opinion on accession of the 10 candidates, which have concluded accession negotiations during the European Council in Copenhagen.
- 21 February 2003** Croatia officially applies for membership in the European Union.
- 8 March 2003** Accession referendum in Malta. 53,6 per cent of the participants vote in favour of Malta's accession to the European Union.
- 11 March 2003** The European Commission adopts a Communication entitled "Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours", thereby setting out a new strategy for relations over the coming decade with Russia, the Western NIS and the Southern Mediterranean.
- 19 March 2003** The European Parliament adopts its resolution on the conclusion of accession negotiations with 10 candidate countries at the Copenhagen European Council.
- 23 March 2003** Accession referendum in Slovenia. 89,64 per cent of the participants vote in favour of Slovenia's accession to the European Union.
- 24 March 2003** Macedonia declares that it will officially apply for membership in the European Union at the end of 2003.
- 26 March 2003** The Commission publishes a report entitled "Enlarging the European Union: Achievements and Challenges", prepared by an independent expert group under the direction of the former Dutch Prime Minister Wim Kok.
- 26 March 2003** The Commission publishes its second annual report on the Stabilisation and Association Process in South Eastern Europe. It underlines that reform efforts of the Western Balkans could gain a new dynamic after the current enlargement, and confirms their prospect of EU membership.

26 March 2003	Revised accession partnerships for Romania, Bulgaria and Turkey are presented by the Commission.
3 April 2003	Serbia and Montenegro gets the 45 th member in the Council of Europe
7 April 2003	Deputy-level negotiating meeting with Romania. Due to stagnating negotiations on the <i>transports</i> chapter, Bulgaria does not participate in this meeting.
9 April 2003	The European Parliament favourably votes for accession of the 10 applicants that have concluded negotiations during the Copenhagen European Council in December.
12 April 2003	Accession referendum in Hungary. 83,76 per cent of the participants vote in favour of Hungary's accession to the European Union.
14 April 2003	The General Affairs Council approves accession of the 10 applicants that have concluded negotiations during the Copenhagen European Council in December.
16 April 2003	During an informal meeting of the European Council in Athens, the accession treaties are signed by 15 EU member states and the 10 applicant countries.
17 April 2003	On the occasion of an enlarged Europe Conference in Athens, the Heads of State and Government from current member states, all 13 accession and candidate countries as well as EEA countries, the Western Balkans, Moldova, the Ukraine and Russia meet in order to discuss relations of the enlarged European Union with their new neighbours.
1st May 2003	The European Parliament welcomes 162 observers from the ten acceding states.

LIST OF ABBREVIATIONS

CAP	Common Agricultural Policy
CEFTA	Central European Free Trade Area
CFE	Conventional Forces in Europe (Treaty)
CFSP	Common Foreign and Security Policy
CIS	Commonwealth of Independent States
EP	European Parliament
ERDF	European Regional Development Fund
ESDP	European Security and Defence Policy
EU	European Union
GDP	Gross Domestic Product
GNP	Gross National Product
IGC	Intergovernmental Conference
ISPA	Instrument for Structural Policies for Pre-Accession
MFA	Ministry of Foreign Affairs
NATO	North Atlantic Treaty Organization
PCA	Partnership and Cooperation Agreement
PHARE	Poland and Hungary Assistance for the Restructuring of the Economy
QMV	Qualified Majority Voting
SAPARD	Special Accession Programme for Agriculture and Rural Development
TACIS	Technical Assistance for the Commonwealth of Independent States
UK	United Kingdom
UN	United Nations
WTO	World Trade Organization

Analytical survey by EU countries

1. What is the assessment of the conclusions of the accession negotiations in your country in view of

- **Overall deal**
- **Financial package (overall amount and Agenda 2000 ceiling, regrouping of funds, structural payments, agricultural subsidies, infrastructure spending, cashflow problems, etc.)**
- **Transition periods (sensitive chapters: four freedoms (including labour mobility), environment, competition, length and nature of transition periods, agreed safeguard clauses, special concessions for some countries)**
- **Institutions (distribution of seats in the EP, blocking minority of the accession countries in the Council during the interim period, participation of accession countries in the next IGC)**
- **The Cyprus question (political implications of membership of a divided island, chances for unification)**
- **The proceeding of the Copenhagen summit (role of the presidency, bargaining of candidates and (individual) member states, shadow of the Turkish question)**

Austria

Overall deal

Overall, it is fair to say that Austria views the successful conclusion of the accession negotiations at the Copenhagen summit in December 2002 positively. As a country that itself joined the European Union in the last round of enlargement, as a Central European state whose border used to form part of the 'Iron Curtain' dividing Europe in the Cold War, and given its strong historical, cultural and eco-

nomic links to Central and Eastern Europe in general, and to many of the accession countries in particular, Austria has much to gain from the coming EU enlargement. Unlike other 'older' members of the EU, many Austrians remember quite well the concessions their government had to make, and some of the transition periods their own country had to undergo before joining the club. Hence the Austrian government, the major political parties, pressure groups and the wider public have shown an overall pragmatic and pro-European stance as regards most issues.

Thus the People's Party (ÖVP) declared that "the enlargement process is the most important element of change in the European Union since the Rome Treaties of 1957. The European Union has already undergone change and enlargement from 6 to 15 [members] and it has been strengthened by all these enlargement procedures".¹ The Freedom Party (FPÖ) also emphasised that there will be "a lot of advantages in an enlarged Europe" and considers the overall process of European integration to be a "peace project Europe".²

However, as regards some issues specifically important for Austria, a certain amount of dissatisfaction can be noted, as in actual fact, the Austrian government – contrary to its own statements – failed to achieve substantial success in negotiations in these matters. The issues of concern are the problems of the so-called 'Benes decrees', nuclear security, specifically in the Czech nuclear power plant in Temelin, and the question of the regulation of traffic – in particular of goods on heavy lorries – transiting Austria. These issues have long dogged the debate in Austria on enlargement of the EU, and their history has been documented in past Enlargement/Agenda 2000-Watch reports.³

As regards the issue of the 'Benes decrees', essentially legal relics from the immediate post-1945 period, which allegedly discriminate against the minority of German and Austrian nationals within the Czech Republic, the independent 'Frowein' report commissioned by the

¹ Interview with a senior ÖVP official, April 2003.

² Interview with a senior FPÖ official, April 2003.

³ See for example Enlargement/Agenda 2000-Watch, No. 5/2002, p. 13ff.

European Parliament in October 2002 came to the conclusion that this legislation was not formally an obstacle to the Czech Republic joining the EU.⁴ Many Austrians, including the government at the time, were disappointed by this outcome, having hoped for the scrapping of the decrees, or at least an official apology on behalf of the Czech government. The latter was suggested in the Frowein report, and reiterated by the European Parliament. But neither has been forthcoming to date, and the whole issue essentially remains unresolved, somewhat brushed aside, but still a thorn in the side of many Austrians and a potential stumbling block before Czech accession.

As regards the issue of the Temelin nuclear power plant, just across the border from Austria in the Czech Republic, it was reported in the last issue of *Enlargement/Agenda 2000-Watch* that arguably, the so-called Brussels agreement guaranteeing common standards and practices in the field of nuclear power should put an end to Austrian worries over Temelin. However, Austria is perceived to have suffered a setback at the Copenhagen summit, when it was decided in the negotiations that it would not be possible for Austria to take any issues it had with the running of the power station to the European Court of Justice. This decision negates Austrian hopes of a potential veto in case of problems, allegedly also undermining the perceived partial success instituted in the so-called 'process of Melk', an agreement signed in late 2001 between the government of Chancellor Schüssel, and the Czech government at the time under Prime Minister Zeman.⁵

The thorniest issue however, remains the question of traffic transiting Austria, in particular transport of heavy goods by road. Austria has always been a crossroad for goods transports, and has environmental concerns due to a rising volume of lorries transiting the country through the particularly susceptible Alpine region. As reported in the previous issue of *Enlargement/Agenda 2000-Watch*, the system in place was a treaty containing an elaborate framework for limiting traffic through a system of so-called Eco-points, but due to expire at the

end of 2003.⁶ Initially, it was expected that at the very least, the Copenhagen summit would agree to an extension of this system for up to three years, but under pressure from member states with strong freight lobbies such as Germany and Italy, this did not happen.⁷ Instead, after prolonged horse-trading, a separate 'transit summit' was held on 31 December 2002, at which the ground was laid for a strong watering-down of the agreement. Thereby the issue was also decoupled from the wider issue of EU enlargement, which was criticised by the Austrian Green Party amongst others.⁸ After a further prolongation of the negotiations, a settlement was initially reached on 12 February 2003, when the European Parliament agreed to an even further watered-down framework, which would only partially extend the Eco-point system until 31 December 2004, but exempted certain types of lorries. In the latest move, on 28 March, a qualified majority in the Council of (Transport) Ministers extended the Eco-point framework until the end of 2006, but with – from the Austrian point of view – other exemptions for certain types of environmentally-friendly lorries, except those originating in Greece and Portugal.⁹ A compromise position between the two decisions of the European Parliament and the Council of Ministers still has to be found, but in any case, from an Austrian point of view, even the most favourable outcome would undercut original expectations. Nevertheless, in the bigger picture, the transit question is unlikely to affect the overall Austrian position on accession, strong statements by leading politicians notwithstanding.

Financial package

The Austrian government declared itself content with the outcome of the negotiations on the financial package agreed to for accession, which it considers "fully compatible with the overall ceilings established by the Berlin European Council in March 1999".¹⁰ The governing ÖVP concedes that enlargement will require a "shifting of funds and subsidies from present

⁴ 'Die Presse', 1st October 2002.

⁵ Press statement by the SPÖ, 14 December 2002; 'Der Standard', 17 December 2002.

⁶ *Enlargement/Agenda 2000 Watch* 5/2002, p. 13ff.

⁷ See for example 'Die Presse', 14 December 2002.

⁸ Press statement by the Grünen, 31 December 2002.

⁹ ORF Online News, 28 March 2003.

¹⁰ Interview with an official of the Ministry for Foreign Affairs, April 2003.

member states to new member states. [...] For Austria this means that some regions that were supported financially by the European Union in the past will lose their 'Objective 1' status".¹¹ This is true of the Austrian Bundesland 'Burgenland', which so far received funding through the structural assistance programme. The Green Party (Grünen) however criticises the financial agreement reached for lumbering future member states with the burden of existing policy on agriculture and structural funds, which in its eyes the existing members have failed to reform successfully. Given that – in its opinion – assumptions of the number of new members and the accession date have been proven wrong since the agreement of the size of the financial package reached at Berlin, the Green Party is in favour of raising the level of financial aid provided for future member states.¹² The Federal Economic Chamber is almost certainly using subtle understatement when it remarks that "perhaps the European Union was a little too generous as regards agricultural subsidies".¹³

Transition periods

Given its position on the eastern frontier of the existing 15 EU members, particularly the question of labour mobility was of crucial importance to Austria. As reported in *Enlargement/Agenda 2000-Watch No. 5/2002*, most parties in Austria consider the negotiated maximum 7-year transition period, which restricts labour mobility (with a few exceptions) to be sufficient to protect the Austrian economy, and in particular border regions, until neighbouring future members have closed the existing wage gap.¹⁴ At the same time, as also reported previously, many studies have shown that Austria has already benefited more from the transition and opening-up of Eastern Europe than any other EU state.¹⁵

As regards the question of the agreed transition period for environmental matters, besides the issue of the Temelin nuclear power station in

the Czech Republic (see first question), it is fair to say that generally the position of most Austrian parties is that this is also satisfactory. Notably, the Federal Economic Chamber (WKÖ) would have preferred a shorter duration.¹⁶

Institutions

The ÖVP considers the decision structures within the Council agreed to in the Treaty of Nice to still be "rather complicated".¹⁷ The Federal Economic Chamber welcomed the addition of two extra seats for Hungary and the Czech Republic in the European Parliament (EP). Austria of course will have to forfeit some of its existing seats within the EP, but is overall content with its hoped-for strengthened role in the future, enlarged Union, as its status will change from being one of the smallest states to a medium-sized member with many ties to neighbouring countries and possibilities of linking up for lobbying. All groups welcome the work of the Convention in principle, and hope for clarified competencies within the Union as a result. The ÖVP considers the completion of the Convention's work to be a prerequisite for the decision on whether to let the accession countries participate in the next IGC.¹⁸ The Federal Economic Chamber explicitly calls for the participation of accession countries in the next IGC, as they are affected by its decisions and should be "part of the negotiations from the very beginning".¹⁹

The Cyprus question

With little if any direct interests and links to Cyprus, Austrian parties and institutions have little to say about the Cyprus question. All groups reviewed welcomed the efforts to bring to an end negotiations between the Greek Cypriot and Turkish Cypriot communities, so as to be able to admit a reunited island and state to the Union. All regretted that this did not prove possible to date.

¹¹ Interview with a senior ÖVP official, April 2003.

¹² Interview with a senior Grünen official, April 2003.

¹³ Interview with a senior WKÖ official, April 2003.

¹⁴ *Enlargement/Agenda 2000 Watch 5/2002*, p. 15.

¹⁵ *Ibid.*

¹⁶ Interview with a senior WKÖ official, April 2003.

¹⁷ Interview with a senior ÖVP official, April 2003.

¹⁸ *Ibid.*

¹⁹ Interview with a senior WKÖ official, April 2003.

Proceeding of the Copenhagen summit

While the Austrian government declared itself content with the proceedings and outcome of the Copenhagen summit – praising the Danish presidency as having “played an excellent and very decisive role in concluding the final package at the summit”,²⁰ the opposition parties were more critical. The Green Party for example noted that the summit “sent out some very bad signals. The last-minute deal with Poland, which cleared the way for the historic conclusion of the agreement, goes in the wrong direction as regards the Common Agricultural Policy (CAP). The agreement permits Poland to top-up direct payments with funds earmarked for rural development. This means that Europe’s tired old, quantity oriented agricultural methods prevailed over good new ideas for sustainable policies. This decision also shows a considerable lack of will for a true CAP reform in the EU member states.”²¹

Belgium

Overall deal

Generally speaking, Belgium is satisfied with the outcome of the accession negotiations. On the occasion of the signing of the Accession Treaty in Athens on 16 April 2003, Prime Minister Guy Verhofstadt stated that the enlargement of the EU was the most generous and most promising political project of contemporary history. He equally emphasised that widening of the Union should be accompanied by deepening.

Financial package

Belgium supported the approach of the European Commission to determine a global financial framework for the 10 countries for the period 2004-2006, which remains in line with the 1999 decisions of Berlin and does not exceed the 1,27 per cent of GNP.

At the same time, the Belgian government supported the idea that the acceding countries

would get financial compensations until 2006, as it would not be fair to make countries that are poorer than the current 15 member states net contributors.

As to the Common Agricultural Policy (CAP), the Belgian government considers that the EU and the candidate countries have reached an agreement which gives complete satisfaction to the acceding countries, mainly since the Copenhagen Council has endorsed the phasing-in of direct payments to their farmers and even allowed state aid.

Transition periods

In general the Belgian government has no particular problems in accepting the transition periods as being exceptions to the basic rules and considers that a balance has been achieved.

As far as labour mobility is concerned, the Copenhagen European Council decided that an eventual transition period of 7 years (2+3+2) may be possible. Miet Smet, Belgian Christian Democratic member of the European Parliament, does not think that Belgium will make use of this possibility, since Belgium is in need of unskilled labour force.

Institutions

In the framework of the informal summit of Athens on 16 April 2003, the Benelux countries took the initiative of gathering 16 smaller countries in a meeting about the constitutional future of the EU. At this meeting, Prime Minister Guy Verhofstadt explicitly invited nine acceding countries (all except for Poland) to join the front of small member states. Most important views expressed were: less decisions taken by unanimity, election of the Commission President by the European Parliament and a European Minister of Foreign Affairs. Concerning the topic of creating a full-time presidency of the European Council, no consensus was reached amongst the smaller countries. Since mid-April there is some speculation in the Belgian press that the Belgian government is giving up its opposition to a full-time president in exchange for more power to the European Commission.

²⁰ Interview with an official of the Ministry for Foreign Affairs, April 2003.

²¹ Press statement by the Grünen, December 2002.

The Cyprus question

The Belgian government clearly prefers the accession of a re-united Cyprus to the European Union.

However, as has been decided at the Helsinki European Council, a solution to the division of Cyprus is no condition for accession. All relevant factors have to be taken into account.

The government thinks that the Belgian federal state structure could prove its efficiency in the Cypriot context. During a meeting with Kofi Annan, Belgian officials have had the opportunity to explain this model.

Proceeding of the Copenhagen summit

At the end of the Copenhagen summit, Belgium showed itself especially relieved because of the solution agreed with regard to Turkey. During the summit, Minister of Foreign Affairs Louis Michel expressed his astonishment on the ongoing debate on the Turkish question.

Denmark

Overall deal

Within the government, among political parties and in the general public, the perception of the overall deal has to be seen in light of the fact that Danes consider the enlargement of the EU almost exclusively as a positive political decision. Moreover, it was a Danish presidency that carried out the final accession negotiations in the autumn of 2002. Thus helping to realise the number one long-term goal in Danish Europe policy – enlarging the Union with states from Central and Eastern Europe (particularly the Baltic States).

Financial package

An overall Danish assessment of the financial package is that enlargement comes relatively cheap (one left wing party in the parliament – the Unity List – actually voted against the enlargement, arguing that the available financial support for the incoming members is "too

limited"²²). On the other hand, Denmark as one of the budget restrictive countries has consistently supported to keep enlargement within the overall financial ceiling agreed to in Berlin (1999). Debate has taken place among the political parties concerning the size of funds made available to agriculture in the new member states. Some are concerned that being a farmer becomes too lucrative, thus making it difficult to carry out domestic structural reforms as well as a reform of the CAP, which is widely supported in Denmark. However, the general satisfaction about the fact that an agreement was found in Copenhagen has moderated this criticism. As expressed by a member of the opposition party (the Social Liberal party), "the final offer to the candidate countries was a step in the wrong direction, but the government had to do something to finalise the negotiations".²³ The expected cash-flow problem that many of the new member states will face has also been discussed. Again, the result attained in Copenhagen (re-direction of funds from rural development to lump sums paid directly to the candidate countries) has settled the debate for now.

In the general public there have been few voices speaking of the enlargement as "too expensive".²⁴ On the contrary, enlargement is viewed in a positive light by over 60 per cent of the population, which has even allowed the Prime Minister to point out that Denmark will become a net-contributor to the EU budget in the future.²⁵

Transition periods

The issue attracting most political and public attention is the free movement of labour. The

²² MP Kjeld Albrechten (Unity List) in Danish daily *Jyllands-Posten* 25 October 2002, p. 4.

²³ MP Elisabeth Arnold quoted in the Danish daily *Jyllands-Posten* 13 December 2002, p. 2.

²⁴ The exception is the far-right Danish People's Party that has expressed concern over the lack of information concerning the costs of enlargement. MP Peter Skaarup quoted in the Danish daily *Jyllands-Posten* 13 December 2002, p. 2.

²⁵ Prime Minister Anders Fogh Rasmussen, "Dansk Europapolitik efter formandskabet", (Danish European Policy after the Presidency), Institute for International Studies, Christiansborg, 15 January 2003.

former Social Democratic government decided not to have a transition period in this area, thus favouring an immediate opening of the borders to workers from the new member states. This position was initially taken over by the new liberal-conservative government that also did not deem necessary for Denmark to demand any transition periods. "The free movement is without any shadow of a doubt a good thing. I find it very difficult to see what people can have against Polish workers who wish to and can get work here [in Denmark], thus contributing positively to Danish society" the Prime Minister has stated.²⁶

However, the position was challenged in the autumn of 2002 by the Danish People's party on whose votes the approval of the government's annual budget depended. This party wished that Denmark would apply the same transition period as Austria and Germany, that means the possibility of an up to 7-year transition period together with protection measures for a special Danish labour market arrangement, which requires trade union membership for the carrying out of certain jobs. Also some Social Democrats expressed their concern about the effects on the Danish labour market of open borders for labour from the new member states. However, such remarks caused a lot of internal disputes among the Social Democrats, because they broke with the pro-enlargement line that the party had when they were in government. The party is now – together with the majority of parliamentary parties and labour market organisations – supporting an opening up of the labour market immediately after the new members join the Union next year. The Social Democratic spokesperson for EU affairs, Henrik Dam Kristensen, has formulated the position of the Social Democrats in the following way: "It is not open to discussion whether or not we should open up from day one. But we have to make sure that the Danish labour market will not be run over".²⁷

The autumn's debate resulted in the introduction of a "security mechanism" in the form of a monitoring of the development in the labour market both regionally and sector-wise com-

bined with time-limited work permits (both instruments already existed legally). The security mechanism also allows for a stop in the issuing of new work permits, if a sector or region sees "considerable changes" as a result of the free mobility of labour. Danish Minister of Labour, Claus Hjort Frederiksen, has been quoted for saying that "by taking these precautions it is possible to wear both belt and braces".²⁸

The incoming member states' transition periods regarding the implementation of the EU's environmental legislation have primarily received attention from interest groups such as the Confederation of Danish Industries, which expressed support for the Commission's approach, that transition periods should not undermine fair competition in the Internal Market.

Institutions

Following the Nice summit, it has been perceived as a negative outcome in the Danish media that the Czech Republic and Hungary had received fewer seats in the European Parliament than Belgium and Portugal. This support for the candidate countries has also manifested itself through the rally for full participation by these countries in the next IGC. In March 2003 Denmark signed a declaration together with Finland, the UK and Sweden stating that "a substantial period of time" should elapse between the conclusion of the Convention's work and the beginning of the next IGC.

The Cyprus question

The position of the Danish government is very much in line with the overall EU agreement reached in Helsinki in 1999. Denmark would like to see a solution for the divided island before Cyprus accedes to the EU²⁹, but if that is not possible, it is regarded as acceptable that only the Greek part accedes. Denmark prefers that the UN continues to handle the negotiations for a solution.

²⁶ Quoted in Danish Daily *Politiken*, 9 January 2003, p.5.

²⁷ Quoted in Danish Daily *Politiken* 16 January 2003, p. 3.

²⁸ "Indvandring: VK vil bremse borgere fra øst", Danish daily *Jyllands-Posten*, 14 February 2003, p.2.

²⁹ Anders Fogh Rasmussen, *Uniting Europe*, No. 193, 1 July 2002, p..2.

Proceeding of the Copenhagen summit

As Denmark held the presidency of the EU, the evaluation of the Copenhagen summit was generally positive both within the government and outside, especially since the presidency managed to achieve its main goal: The conclusion of enlargement negotiations with all 10 eligible candidate countries. The strategy of the presidency had been to close negotiations before the summit meeting, leaving only the finance-related issues on the table. A stick-and-carrot approach was adopted, promising on one hand to minimise the foreseen cash-flow problems of the candidate countries, while on the other hand making it very clear that countries, which did not accept the deal in Copenhagen, would be left to wait until at least 2007.

It was not a surprise that Poland became the hardest "bargainer" at the summit, thus pushing the presidency to pursue the tactics of obtaining the acceptance of all other applicant countries, before finalising a deal with Poland.

As concerns Turkey, the Danish presidency prioritised to get rid of this shadow as quickly as possible by proposing a conclusion text already Thursday afternoon. For a long time the presidency tried to persuade the Turkish government not to ask for a date. They argued that a date for beginning negotiations could not assemble a majority in the European Council, thus leaving only the possibility of "a date for a date", thus a date for when the European Council would evaluate Turkish progress vis-à-vis the Copenhagen criteria. The Danish presidency's view was also that Turkish insistence on a date in some ways pushed back the political decision in the EU on Turkey, since Turkey as an official candidate country already receives a yearly evaluation in the Commission's progress report.

Finland

Overall deal

For Finland, the central theme in the enlargement process has been that it should be done according to the agreed criteria and by the fair and equal treatment of all candidate countries. Both the prime minister Paavo Lipponen and

the foreign minister Erkki Tuomioja have repeatedly emphasized that the EU should not let any applicant slip from the criteria on political grounds.³⁰ When assessing the outcome of the accession negotiations, Finland has expressed her satisfaction that they were brought to a conclusion according to the timetable and objective criteria.

Financial package

In terms of the financial package the assessment is favourable. It corresponds to Finland's aims and especially from the viewpoint of agriculture the outcome can be considered quite good. In Finland's view, the accession of new member states causes no specific need to radically change the Common Agricultural Policy (CAP). The enlargement will not dramatically increase the expenditure of the CAP, either.

As concerns the phasing-in of direct payments, it will take place within a framework of financial stability. The decision to keep the overall expenditure in nominal terms for market-related expenditure and the direct payments for each year in the period 2007-2013 below the 2006 figure increased by 1 per cent per year facilitates the drawing up of the upcoming expenditure ceilings. The decision guarantees that the expenditure can be kept under control also in the future.

Transition periods

In the negotiations Finland sought to ensure that the transitional arrangements granted to the applicants would remain as short and limited as possible.³¹ This was largely achieved. Finland paid particular attention to the chapters on agriculture, structural and cohesion policy and budget, due to their financial implications. In addition Finland took an active interest in the chapters concerning the free movement of labour, competition policy, taxation, energy,

³⁰ Cf. *Helsingin Sanomat* 5 October 2002. Unless otherwise specified, the answers are based on information from the Finnish Ministry for Foreign Affairs.

³¹ Jan Store, „Ulkoministeriön arvio liittymisneuvotteluista“ (The foreign ministry's assessment of the accession negotiations), *Kauppalititiikka* 1/2003.

environment and justice and home affairs. Finland also followed closely the negotiations on free movement of capital and services as well as fisheries. For obvious reasons, Finland's main interests lay in ensuring that the negotiations with the neighbouring countries, particularly Estonia but also Latvia, Lithuania and Poland, did not result in transition periods, safeguard clauses, or special concessions that would have hampered the functioning of the internal market in the immediate geographical vicinity of Finland upon the accession of new members.

In Finland's view, the potential problem areas were also dealt with satisfactorily. In Chapter 2 (Free movement of people) Finland will keep in place the current national measures (agreed in the so-called 2+3+2 formula) at least for the first two years from accession, after which the situation will be reviewed. The review will take place within a tripartite mechanism where the government together with the trade unions and employer organizations will make the decision. At this stage it is, however, not possible to anticipate the decision to be taken two years after accession.

In Chapter 9 (Transportation) Finland opted, together with other member states, for implementing a gradual opening of the national cabotage (internal road haulage) market in order to avoid market disturbances.

When it comes to the likely economic impact of enlargement on Finland, it is expected to remain fairly modest. The analysis in the country is that the effects will be largely positive for economic growth in Europe, and that with one of the most competitive economies in the world, Finland is well placed to reap some of the economic benefits of enlargement.³²

As has been shown in the earlier issues of *Enlargement Watch*, the possible inflow of immigrant labour has been seen as an area of special concern for the country.³³ The original, quite alarmist estimates have, however, been

³² Cf. the speech of prime minister Paavo Lipponen in Helsinki, 23 November 2002. Available at <http://www.sosialidemokraatit.fi/cgi-bin/iisi3.pl?cid=sdp&sid=15201&mid=91&a=show&id=208>. Downloaded 29 April 2003.

³³ Cf. *Enlargement/Agenda 2000-Watch* Nice Update to No. 3/2000 (March 2001), p. 48; and *Enlargement/Agenda 2000-Watch*, No. 5/2002 (November 2002), pp. 25-26.

gradually toned down. According to a report published by *Palvelutyönantajat* (the central organization of the employers in the service sector) in April 2003, the expected impact on Finnish economy in the service sector will be minuscule. Only restaurants are expected to suffer from the enlargement, as the much cheaper alcohol prices in Estonia are likely to result in decreased consumption in restaurants, as people will start to enjoy the much cheaper beverages at the confines of their homes instead.³⁴

Also the amount of immigrants from Estonia is likely to remain modest. Most of the Estonians that would be willing to emigrate have already done that. Also the declining birth rates and the emerging need for workers within Estonia itself will ensure that there is no large influx of Estonians to Finland to be expected.³⁵ These facts have led also the trade unions to send the soothing message that eastern enlargement is not going to present a threat to employment in Finland.³⁶

By contrast, the sawing industry is expecting some problems, as the new member states are entering the already overheated sawing market in the European Union. For Finns, the problem is potentially exacerbated by the fact that the European Union sees sawing industry as part and parcel of its agricultural policy and the restructuring of the farming industry in the new member states might well lead to the development of sawing industries with EU money. This would result in increased competition, and the Finnish sawyers are worried that it might have some unfair characteristics as the financial aid offered by the EU could enable the newcomers to start dumping prices.³⁷

³⁴ *EU:n laajentuminen ja yksityiset palveluajat*, available in Finnish only at [http://www.palvelutyonantajat.fi/kj.nsf/liitetiedostot/eunlaajentuminen2003/\\$file/eunlaajentuminen2003.pdf](http://www.palvelutyonantajat.fi/kj.nsf/liitetiedostot/eunlaajentuminen2003/$file/eunlaajentuminen2003.pdf). Downloaded 28 April 2003.

³⁵ *Ibid.*

³⁶ Cf. the remarks of Mikko Mäenpää, the chairman of STTK (The Finnish Confederation of Salaried Employees): *EU:n laajeneminen ei ole uhka Suomen työllisyydelle*, press release, 21 October 2002. <http://www.sttk.fi/fi/tiedotteet2002/893/>. Downloaded 28 April 2003.

³⁷ *Helsingin Sanomat* 15 November 2002.

Institutions

Finland does not see any problems concerning the participation of the accession countries in the forthcoming Intergovernmental Conference (IGC). As agreed by the Laeken European Council, all the candidate countries have participated in the work of the Convention. The Nice Treaty stipulates that those candidate countries, which have finished their negotiations with the Union, will be invited to participate in the IGC. At the General Affairs Council of 18 November 2002 it was confirmed that those candidate countries that have finished negotiations will participate fully in the IGC, regardless of whether their membership has *de jure* become valid. The other candidate countries (including Turkey) will participate as observers. The Copenhagen European Council further stated that the new treaty will be signed after the accession of the new members. Finland fully supports these decisions.

The Cyprus question

Concerning the Cyprus question, Finland has voiced her disappointment over the lack of agreement on the unification of Cyprus in Copenhagen. Also the fact that the Secretary General Annan's proposal for the reunification of Cyprus did not bring the hoped-for results in the Hague on 11 March 2003 was seen as regrettable. In Finland's position, the case is however clear: Cyprus is acceding to the Union according to the Helsinki Conclusions and the implementation of the *acquis* will be suspended on northern Cyprus until reunification. Finland does, however, hope for a mutually acceptable solution during the window of opportunity before Cyprus's accession on 1st May 2004.

Proceeding of the Copenhagen summit

In the final analysis, the Danish presidency was seen as handling the final negotiations efficiently and vigorously. In his comments immediately after the summit, the prime minister Lipponen stated that it went "surprisingly well" and that the Fifteen had the willingness to make also difficult decisions. He also said that the Danish presidency was "one of the best" during the entire Finnish EU membership so far, and that the Danes had managed to show others how even a small member state

can handle challenging negotiations very well.³⁸ Also foreign minister Erkki Tuomioja has concurred with Lipponen's views. In a speech in January he commented that the Danish presidency proved that a small member state can be equally effective, and at times perhaps even more effective than bigger member states, which might be more tempted to bring into play their own national interests.³⁹

France

Overall deal

In many respects, enlargement has been a "taboo" in France.⁴⁰ At the end of last September, Günter Verheugen complained that "no public debate took place in France about enlargement". This is not entirely true. Given that European issues are usually not very much debated in France, the situation of enlargement as an issue in the public sphere is probably better than feared by some. Nevertheless, Verheugen is partly right: if enlargement is talked about, it is not very much debated. Most French have strong reservations about enlargement, but most of them do not dare to express them too openly. Most of what is published and said on enlargement can be summed up in few words: what an opportunity, but what a challenge. It is tacitly accepted that enlargement is a leap in the dark that could turn out to have devastating consequences. Most people stress that enlargement is a "moral and historical duty". But "what is seriously missing is political justification – explains Dominique Reynie, Professor of Political Science at the Institute of Political Studies in Paris –, never was enlargement presented like a happy event, but always like an inevitable and irreversible event".⁴¹

With this in mind, it is fair to say that the details of the negotiations have been largely ignored, even by the usually well-informed public. Three general issues have dominated the discussions: the question of the future of the

³⁸ *Helsingin Sanomat*, 14 December 2002.

³⁹ A speech in Tampere, 25 January 2003.

⁴⁰ The expression is used by *Les Echos*, 18 October 2002.

⁴¹ Quoted in *Liberation*, 14 October 2002, p. 10.

institutions with 25 member states, the question of the accession of Turkey, which triggered many reactions among politicians and the wider public, and the question of the political union, particularly in the period of the divisions over the war in Iraq. Because of these developments, the question of the definition of a European identity came to the forefront.

The most common concerns are that enlargement will paralyse the European institutions and annihilate any prospect of a political Union. The editorial of the main centre-right daily newspaper, close to the current government, explained, on the day of the opening of the Copenhagen summit, that “like in the worst Brusselian nightmares, the Copenhagen meeting will be a free-for-all. [...] The reason is simple: because it chose enlargement instead of deepening, the European Union is losing its momentum. Wider, bigger, but always more divided”.⁴² Even convinced pro-Europeans, like Jean-Louis Bourlanges (Member of the European Parliament, and of the centre-right party – UDF), are against the enlargement process as it is, because they fear it might lead the EU to no less than its “death”. In an article published recently, Bourlanges explained that he would vote against enlargement in the European Parliament on 9 April. He argued that by decoupling enlargement and institutional reform, the current process makes the much-needed – indeed vital – reforms of the European institutions very unlikely.⁴³

Financial package

One of the priorities of France in the negotiations was to preserve the CAP. Indeed, the Brussels deal means that the level of agricultural subsidies that French farmers receive will remain unaffected by enlargement until 2006, and no major reform is likely to take place in the meantime. In that sense, this is clearly a success for French diplomacy. France will continue to receive about 20 per cent of unchanged agricultural subsidies. However, preserving the CAP and keeping the agricultural expenditure at the current level means that the amount of money devoted to the new members had to be strictly limited. The French position was described as “stingy”, in particular by the

Poles. Indeed, Dominique de Villepin, the French foreign minister, is reported to have bluntly said: “Europe is not a cash counter”.

Here again, Bourlanges voiced strong criticisms against the financial settlement. First, it creates a double standard: one for the existing members and one for the future members and as such it does not respect the principle of equality between member states. Second, it reduces the financial powers of the parliament by fixing the distribution of the spending, up to 2013 in some cases. Bourlanges concludes that the financial agreement means that the new members will be “second class” members. However, such criticisms have remained marginal in France. The consensus is that “the net balance is largely positive for the Ten for a relatively moderate cost for the Fifteen”.⁴⁴

It is often said that the current French position on the CAP is largely influenced by farmers’ unions. Indeed, the main farmers’ organisation “FNSEA” (Federation nationale des syndicats d’exploitants agricoles) fully supports the deal on agricultural subsidies.⁴⁵ But new trends are emerging. In a sweeping move, a number of NGOs, consumer organizations and farmers’ organizations (including “Les jeunes agriculteurs” and “La confederation paysanne”, the union led by Jose Bove) signed a common declaration explicitly criticizing the Brussels deal between Jacques Chirac and Gerhard Schröder. According to them, it fails to tackle the two most urgent needs: to “set up remunerative prices that correspond to production costs and end direct or indirect subsidies to exports”.⁴⁶ This move is particularly surprising on the part of the “Jeunes agriculteurs” since this organisation is part of the FNSEA.

Structural funds are a far less central issue for the French than the CAP. France no longer has any area qualified for objective-1 funds. Corsica, which used to get such funds, is now outside of the criteria but has a transitory status

⁴² Jean de Belot, *Le Figaro*, 12 December 2002.

⁴³ *Le Figaro*, 4 April 2003, p. 13.

⁴⁴ Report by the standing committee of French National Assembly on the European Union, 8 April 2003 (accessible at <http://www.assemblee-nat.fr/12/europe/index-rapinfo.asp>).

⁴⁵ See, for instance, an interview of its leader, Jean-Michel Lemetayer, in *Les Echos*, 11 December 2002, p. 13.

⁴⁶ December 2002. (http://www.solagral.org/agriculture_sa/politiques_agricoles/pac/appel_reforme-12-02-en.pdf).

until 2006. The Corsicans would like to keep some of the funds, but enlargement will make it even more unlikely. Recently, both Jean-Pierre Raffarin and Nicolas Sarkozy, the French home secretary, went to Brussels to discuss that matter.⁴⁷ Objective-2 funds are more of an issue in France since it receives some.

Transition periods

French officials have regularly repeated that they regard the transposition of the “acquis communautaire” in the acceding countries as a priority. As pointed out in the previous report on France, this has been the French position all along the negotiation process.⁴⁸ For the French government, accession was conditioned by adequate transposition. More recently, rigorous monitoring of the transposition by the Commission has become a French priority. It is because of a French initiative that the General Affairs Council of 10 June 2002 called for the Commission to monitor the transposition of the “acquis” in two particular areas: food safety and justice and home affairs. The Commission’s proposal, made on 10 October 2002, to generalise follow-up monitoring to all the fields of the “acquis communautaire” has naturally been much welcomed in France.

In an article published in *Le Monde*, Francois Loos, French minister for foreign trade, insisted on rapid transposition in order to gain the support of public opinion. “We will see to it that the interests of our firms are not hindered by practices inconsistent with European legislation, at a time when the Union is making an unprecedented budgetary effort to support the accession of ten candidate countries. The plan elaborated at the Community level for the upgrading of the administrations of the candidate countries fits in this logic and will allow the new members to enforce satisfactorily their legal and regulatory commitments.”⁴⁹

In the same spirit, France strongly supported the safeguard clauses proposed by the Commission. The priority is to be able “to take adequate measures, particularly in the case of a serious risk for the functioning of the internal

market or for the area of freedom, security, and justice”.⁵⁰

Public debate about transition has been dominated by the question of “social dumping” and the “risk” of industrial relocation. Recent events have raised the awareness of public opinion. Last October, Whirlpool announced that it was to move one of its plants from Amiens to Poprad in Slovakia. Toyota and PSA indicated their intention to build their next “small” car in the Czech Republic. Indeed, this fear largely explains the reservations of the French public on enlargement. Rather than an opportunity for French firms, enlargement is seen as a threat for French jobs.⁵¹ Organisations of transporters, which are usually very vocal in France, have expressed their concerns about the risks of “social dumping” from businesses and workers from the future member states, where the costs are about 1/3 of what they are in France.⁵²

Although present in the media and part of the general climate of suspicion towards enlargement, the question of labour mobility is only secondary to that of industrial relocation. In fact, France is certainly less exposed than other countries like Germany, Austria, or the United Kingdom. As a result, the question of immigration from the new member states has not been one of the main concerns of French negotiators. The question of the protection of the new Eastern and Southern borders has certainly raised more concerns.⁵³

Institutions

The provisions of the Nice treaty, which was supposed to prepare the European institutions for enlargement, are largely regarded in France as unsatisfactory. Complexity and remoteness are usually the main criticisms about the Euro-

⁴⁷ *Le Monde*, 9 January 2003.

⁴⁸ Cf. Enlargement/Agenda 2000-Watch, No. 4/2002.

⁴⁹ *Le Monde*, 22 October 2002.

⁵⁰ Note from the French Ministry of Foreign Affairs, 25 October 2002, (<http://www.diplomatie.gouv.fr/actu/article.asp?ART=28804>).

⁵¹ See, for instance, *Le Figaro*, 22 October 2002.

⁵² *Les Echos*, 25 November 2002, p. 3.

⁵³ See on these matters the report published by the standing committee of the French National Assembly on the European Union, 27 mars 2002 (<http://www.assemblee-nat.fr/europe/rap-info/i3683.pdf>).

pean institutions. The Nice treaty tends to make things worse.

With regard to enlargement, one of the main issues is the respective weights of the small and of the large countries. Although, of course, never expressed openly, the claims of the small countries have regularly irritated French officials. In that respect, Valéry Giscard d'Estaing's draft for the constitution, which plans to reduce the weight – the over-representation according to the French – of the small countries, fits well with French views.⁵⁴ The French traditional position is that the European Union needs leadership, and that this leadership can only be secured through an alliance of the large countries, mainly France and Germany. Over-representation of the small countries makes it much more difficult for an effective leadership to emerge and to create political momentum.

The Cyprus question

The end of the talks in Cyprus based on the Annan plan caused disappointment in France. The Ministry of Foreign Affairs immediately issued a statement, which confirmed that Cyprus would be invited to sign the treaty of accession nevertheless.⁵⁵

Proceeding of the Copenhagen summit

In France, the proceedings of the Copenhagen summit have been mainly assessed with regard to the renewed Franco-German relationship. After the Brussels deal and a number of common contributions to the European Convention from Dominique de Villepin and Joschka Fischer, many French commentators greeted a return to the old Franco-German friendship, which is still regarded in France as a necessary precondition to further European integration.

⁵⁴ Le Monde, 29 January 2003 and 24 April 2003.
⁵⁵

<http://www.diplomatie.fr/actu/article.asp?ART=33101>.

Germany

Overall deal

There has been an overall consensus among German political actors and the media that the conclusion of accession negotiations can be perceived as a great historic step, as the “definite end of the Cold War”⁵⁶ or, in the words of the opposition, as an “epoch making event”.⁵⁷ According to Chancellor Gerhard Schröder, the Copenhagen decisions have „brought together what belongs together“.⁵⁸ However, in the light of the all-dominant debate on Iraq as well as the final phase of the European Convention's work, discussion about enlargement has recently been overshadowed by questions such as European Foreign and Security Policy and the future institutional shape of the Union.

During the whole process of enlargement, no relevant player in German politics and society has seriously questioned this project.⁵⁹ Widening the Union to the East has, for German politicians, always been more than just an act of historical justice or a pragmatic approach in order to strengthen economic and political capacities of the EU. With the accession of – for the time being – eight countries of the former Eastern bloc, two major insecurities for German politics have successfully been elimi-

⁵⁶ Foreign Minister Joschka Fischer, cited in: Kopenhagener Gipfel gründet „das neue Europa“, <http://www.heute.t-online.de/ZDFheute/artikel/11/0,1367,POL-0-2026987,00.html>; the quotations in this article have been translated by the author.

⁵⁷ CDU/CSU parliamentary group, Der Weg für die Osterweiterung ist frei: Abschluss der Beitrittsverhandlungen auf dem Europäischen Rat von Kopenhagen, motion for a resolution, printed matter 15/195, German Bundestag, 17 December 2002.

⁵⁸ Gerhard Schröder, Government declaration on the results of the Copenhagen European Council, Deutscher Bundestag, 19 December 2002, in: Bulletin der Bundesregierung, Nr. 103-1, 19 December 2002.

⁵⁹ For a more detailed overview cf. Barbara Lippert, Die EU-Erweiterungspolitik nach 1989 – Konzepten und Praxis der Regierungen Kohl und Schröder, in: Heinrich Schneider et al. (eds.), Eine neue deutsche Europapolitik? Rahmenbedingungen – Problemfelder – Optionen, Bonn 2002, pp. 349-392; cf. also Barbara Lippert et al., British and German Interests in EU Enlargement. Conflict and Cooperation, London/New York 2001.

nated: the position of Germany as a front state in the framework of the Cold War, as well as the fear of being encircled, as it was the case in the first half of the twentieth century.⁶⁰ Thus, there has been a stable and widespread consensus that enlargement – besides the economic and political benefits – constitutes a vital national interest for Germany as a whole.

At the same time, however, German enlargement policy has constantly been dominated by a conflict of goals. This conflict can be characterised by the simultaneous pursuance of widening the Union and reforming policies, with the aim of reducing German contributions to the EU budget. The reason for this must be seen in the worsening financial situation of Germany and thus the necessity to reduce expenses. Ultimately however, as Henning Tewes points out, the choice for enlargement always predominated if a final decision had to be made.⁶¹ Thus – as can be seen in the chapters below –, Germany often cut back on its demands concerning the reform of policies if a consensus within the European Union was not in sight.

Financial package

The finance-related decisions of the Copenhagen European Council were perceived as a good compromise that does not back the widespread fears amongst the German population that Germany will have to bear the principal costs of enlargement.⁶² Rather, these costs are seen as a “worthwhile investment in the future of Europe”, as enlargement will not only boost political stability in Europe, but also bring about economic advantages.⁶³

⁶⁰ Cf. Wolfgang Wessels, *Germany and the Future of the EU: Vision, Vocation, and Mission*, AIGCS/German-American Dialogue Working Paper Series, download: <http://www.aicgs.org/publications/PDF/wessels.pdf>.

⁶¹ Henning Tewes, *Rot-Grün und die Osterweiterung der Europäischen Union*, in: Hanns W. Maull et al. (eds.), *Deutschland im Abseits? Rot-grüne Außenpolitik 1998-2003*, Baden-Baden 2003.

⁶² Angelica Schwall-Dueren (deputy chairperson of the SPD parliamentary group) in a speech to the German Bundestag, 19 December 2002.

⁶³ Parliamentary groups of SPD and Bündnis 90/Die Grünen, *Motion for a resolution*, German Bundestag, 17 December 2002, printed matter 15/215 (a-

Originally, the compromise package as proposed by the Danish presidency on 25 November 2002 had been accompanied by rough criticism. As Chancellor Schröder stated after a meeting with the Danish Prime Minister, Anders Fogh Rasmussen on 3 December, the financial package “does not live up to our expectations”. He pointed out the risk of overstretching “the material resources of a net contributor such as Germany”, even if he recognised that “we all know it won’t be achievable at zero cost, and shouldn’t be because we Germans will be the ones who primarily benefit politically and economically from it.”⁶⁴ However, after the Polish government made clear that it would not be willing to leave Copenhagen without further concessions compared to the decisions of the summit meeting in Brussels in October, the German government dropped its objections, underlining that – vis-à-vis the upcoming accession referenda – the candidates had to be able to legitimise the results at home.⁶⁵ Furthermore, the German proposal to partly transform means from the structural funds in discretionary payments, paved the way for a final consensus at the Copenhagen European Council. With hindsight, both Chancellor Schröder and foreign minister Fischer declared that in view of the historic importance of the event this move was the only appropriate decision.⁶⁶

Concerning the solution agreed with regard to direct payments, it has to be recalled that up the Brussels summit in October 2002, Germany strictly opposed any commitment to granting farm aid to the candidate states unless it has received a guarantee that the Common Agricultural Policy (CAP) will be reformed, especially with a view to the direct payments scheme. In a newspaper article of 16 June 2002, Chancellor Schröder stated that “the limit of Germany’s financial capacity is

15/215 (adopted by the parliamentary human rights committee on 13 February 2003).

⁶⁴ *Uniting Europe*, No. 211, 9 December 2002.

⁶⁵ Cf. EU-Gipfel: Schröder baut Brücke zum Finanzkompromiss, in: *Financial Times Deutschland*, 16 December 2002.

⁶⁶ Cf. *Kopenhagener Gipfel gründet „das neue Europa“*, <http://www.heute.t-online.de/ZDFheute/artikel/11/0,1367,POL-0-2026987,00.html>

reached”,⁶⁷ while at the same time referring to the decisions of the 1999 Berlin summit, where direct payments were not foreseen for the candidates. However, as it became obvious that France would by no means accept a reform of the CAP prior to enlargement, Schröder together with President Chirac reached a consensus at the eve of the Brussels summit that foresaw a ceiling for agricultural spending between 2007 and 2013 at the level of spending provided for 2006, increased by 1 per cent a year to take account of inflation.

Transition periods

Concerning labour mobility, the government warmly welcomes the negotiated transition periods, as the agreed 2+3+2-model is largely based on a German proposal.⁶⁸ The lively discussion that took place in Germany on this issue emanated mainly from the trade unions, which hold a strong position in the wage bargaining process. They particularly feared that an immediate realisation of free movement of labour could undermine German wage standards. Thus, the German Trade Union Confederation (DGB) embraced the deal, but however criticised the accession negotiations for barely taking into account the promotion of social dialogue and the capacity to act of the social partners in the candidate states. For the DGB, the agreed transition period only makes sense if it would be accompanied by an encouragement of the legal and structural conditions of a functioning social dialogue. They propose an EU-wide information strategy on the working and social conditions in Europe, that take into account both member and acceding countries.⁶⁹

Concerning transitional arrangements in other negotiation chapters, no particular comments have been made. Besides free movement of

labour, Germany – similar to Austria – has been especially interested to ensure transition periods with regard to the transports chapter. Thus, the agreed arrangement that foresees a gradual phasing-in of the access of non-resident hauliers to the national road transport market was noticed with satisfaction.

Institutions

Unlike for example the French position,⁷⁰ Germany regards the agreed institutional arrangements as being quite satisfactory. Seeing itself traditionally as an advocate of the smaller EU countries, mechanisms of over-representation of the latter does not evoke any fears among German politicians and it can – on the contrary – be assumed that this could have facilitated the observed strategic shift of Germany concerning the debate on institutional reform within the European Convention, particularly as regards the question of strengthening the Council by introducing a permanent chairman.

The Cyprus question

As do all relevant political actors in Western Europe, the German government, too, would prefer an accession to the EU of a re-united Cyprus. “The time for Europe has come for the entire Cyprus”, as formulated by the Social Democrats in a declaration addressing the Turkish Cypriots.⁷¹ Therefore, the peace plan presented by the United Nations was seen as a good basis.

Nevertheless, the failure of the negotiation process and the probable accession of a divided Cyprus to the EU is seen by German social scientists as being a potential danger for the whole Union that has so far not seriously been addressed. As pointed out by Heinz-Jürgen Axt, the temptation for the Southern part of Cyprus might be high to utilise its right to vote in the Council in order to pursue national interests vis-à-vis the Turkish dominated part. Thus, the European Union would run the

⁶⁷ Gerhard Schröder, Die Erweiterung muss bezahlbar sein, in: *Frankfurter Allgemeine Sonntagszeitung*, 16 June 2002.

⁶⁸ Cf. speech of Chancellor Gerhard Schröder on the occasion of the Upper-Palatinate regional conference, Weiden, 18 December 2000; cf. also *Enlargement/Agenda 2000-Watch*, No. 4/2002, pp. 39-42.

⁶⁹ Cf. Deutscher Gewerkschaftsbund, *EU-Erweiterung sozial gestalten. Arbeitnehmerfreizügigkeit und Dienstleistungsfreiheit*, download: <http://www.dgb.de/themen/zuwanderung/anfreiz.pdf>.

⁷⁰ Cf. the contribution on France in this volume.

⁷¹ The entire text of this address is quoted in: SPD unterstützt türkische Zyprioten bei ihrem “Ja” zur EU, press briefing, SPD parliamentary group, 15 January 2003.

risk of being perceived as a conflict party.⁷² Others emphasise the need for a stronger engagement of the EU itself on the basis of the United Nations plan. The coupling of a solution for Cyprus on the one hand and an accession perspective for Turkey on the other hand should thereby explicitly be upheld (also in the revised version of the accession partnership), in order to forestall possible Turkish illusions that a solution of the Cyprus question could be delayed until the period of accession negotiations at a later stage.⁷³

Proceeding of the Copenhagen summit

Enlargement in general is often seen as a „German project“.⁷⁴ Not only for historic, but also for political and economic reasons Germany has always been specifically interested in this process, as accession of the Central and Eastern European countries will bring about a geographical shift that relocates Germany from the margin to the centre of the EU. As a consequence, German politicians continuously emphasised the necessity for particular engagement of their country. Similar in Copenhagen: the perceived responsibility of Germany to contribute to a positive outcome can explain important last-minute shifts of the German position, as described in the other chapters. This is especially true for Germany's negotiation strategy towards its most important Eastern European neighbour, as Germany “could not imagine conclusion of accession negotiations without Poland”.⁷⁵

More specifically, the successful outcome of the Copenhagen European Council is attributed to three major points:⁷⁶ First, the prudent and

resolute way negotiations have been conducted by the Danish presidency; second, the strong engagement of enlargement Commissioner Günter Verheugen; and third, the personal contribution of Chancellor Schröder, especially with a view to the last-minute negotiation problems between the EU and Poland.

Greece

Overall deal

The overall deal struck over the “big bang enlargement”, i.e. accession of the Ten to be in force from 1st May 2004, plus a 2007 perspective for Romania and Bulgaria, plus a potential negotiation date for Turkey in 2004, has been considered positive in Greece. The Government considered the Copenhagen 2002 summit consensus a major negotiating success (insofar as it reiterated the agreement for Cyprus' accession even if no solution was reached on this issue, i.e. the partition of the island whose reunification was being negotiated under U.N. auspices). Much pride was taken in and political capital was raised by the fact that the enlargement Acts were to be signed in Athens on April 16th –17th 2003. This decision was in fact implemented with much pomp, in the Ancient Agora of Athens; the Athens Declaration was signed while a European Conference was also convened and held, which was attended by future candidates, countries with “new neighborhood” status along with the UN Secretary General – as well as the Chairman of the European Convention.

After some hesitation, most Opposition parties joined in positive assessment – with the sole exception of the Greek Communist Party, which applied its overall europhobe position. The Press followed suit notwithstanding some initial hesitations, as did most of academics who voiced opinions: the Athens Summit gave the occasion for an almost festive atmosphere around enlargement, although much tarnished by the European impasse and sense of powerlessness in the context of the Iraq issue.

⁷² Heinz-Jürgen Axt, Gordischer Knoten nicht durchschlagen: Zypern, die Türkei und die EU, in: integration, no. 1/2003, pp. 66-77, here: p. 76.

⁷³ Heinz Kramer, Zypern: Das Ende der Hoffnung?, SWP-Brennpunkt, 21 March 2003, download: <http://www.swp-berlin.org/produkte/brennpunkte/zypernende1.htm>

⁷⁴ Knut Pries, Ein deutsches Projekt, in: Frankfurter Rundschau, 16 December 2002.

⁷⁵ Chancellor Gerhard Schröder, cited in *Süddeutsche Zeitung*, 13 December 2002.

⁷⁶ Cf. Hans-Martin Bury, speech of the State Secretary in charge of European Affairs on the occasion of the European Council in Copenhagen, German Bundestag, 19 December 2002, download: <http://www.auswaertiges-amt.de>.

Financial package

Such generally positive assessment did not go deep into specifics. Thus, no extensive attention was paid to the final costs of the financial package agreed (nor to the risk for Greece losing out in CAP and Structural Funds finance); the EU – 15 compromise for CAP subsidies to continue up to 2013 was accepted as adequate for Greece's needs with little discussion, while Structural Funds flows were viewed with a sense of menace due to the demands of new entrants but also with quite a measure of resignation.⁷⁷

Even less attention was paid to the specific contents of the accession Acts, be they labour mobility or competition matters in specific sectors: the reason for this should be sought to the fact that Greece feels less exposed to Central and Eastern Europe flows than to South East Europe ones. Still, the Confederation of Greek Industries in successive public pronouncements, as well as the Governor of the Bank of Greece in his 2003 Report have been voicing concern over competition issues after enlargement.

Institutions

Even less attention was paid to the specific institutional consequences of enlargement, be they in the structure of present institutions or in the decision-making mechanisms. Sorting out any remaining snags through the work of the Convention and the future IGC is through sufficient.

The Cyprus question

Copenhagen was considered a major success for Greek interests, especially since Cyprus accession was finalized notwithstanding the failure to re-unify the island. In fact, accession is largely supposed to constitute a potent instrument in favor of re-unification, instead of a problem for either Cyprus or indeed the EU; in his address to the Athens April 16th signing ceremony Cyprus President T. Papadopoulos took great pains to affirm that the Cyprus con-

⁷⁷ The latter may be attributed to the fact that Greece faces so extensive problems in absorbing funds from its current "entitlements" under CSP-3, that to touch on the future would seem unwise.

flict would in no way be "imported" to the EU. Greek Prime minister C. Simitis echoed this position, although more faintly. In the TEPSA/EKEME Athens Presidency Conference (November 14th/15th 2002) the Cyprus accession was even described as a "conflict resolution method" by Cyprus ex-President G. Vassiliou, such description gaining the approval of Greek ex-Minister of Foreign Affairs Th. Pangalos and several participants.

The "shadow" left by the Turkish stance at Copenhagen is perceived as posing a problem for the future, especially in the context of the Helsinki compromise that built the package deal of Cyprus' accession, Turkish candidature and Greek-Turkish rapprochement.⁷⁸

Ireland

Overall deal

There is a general satisfaction with the overall package which is viewed as comprehensive and balanced, providing a solid basis for the smooth integration into the enlarged Union, whilst ensuring the continued functioning of the internal market as well as the various EU policies.⁷⁹

Financial package

Statistical analysis suggests that the enlargement process will cost the current EU citizen an average of 9,15 € per year for the first three years, while the benefit for the incoming mem-

⁷⁸ See also point 3.

⁷⁹ This contribution particularly draws on the work published by the Irish Institute of European affairs (cf. <http://www.iiea.com/cgi-bin/shop.pl/page%3Dpubs.html>), as well as on speeches by the Irish Government representatives, which can be downloaded at <http://www.irlgov.ie> and <http://forumoneurope.ie>. For general information on Irish European Policy see e.g. "Ireland and the European Union. Identifying Priorities and Pursuing Goals, 2^d edition, 2003. Further useful information can be found on the websites of the Joint Committee on European Affairs in the Irish Parliament (www.oireachtas.ie), The Irish Times Newspaper (www.ireland.com) or The Irish Independent (www.unison.ie).

bers will amount to an average of 45,85 € per year in the same timeframe. Using this as a guideline enlargement has come at a very reasonable price. It is viewed as a very good investment in the long term, bringing as it will, an enlarged open market which will be to the benefit of all.

In May 2002, a report of the Joint Committee on European Affairs in the Irish parliament commented: "The most difficult and sensitive issues, such as the financing of enlargement, are now being tackled. However, it is believed that the Commission's recent proposals in relation to these sensitive financial areas will provide a solid basis for negotiations."

Transition periods

The Irish were pleased with the negotiating solutions in this area and would have been prepared to be more liberal and go further than the Union in respect of special conditions with regard free movement of persons, services and transport.

On 25 March 2003, the Tanaiste and Minister for Enterprise, Trade and Employment, Mary Harney, T.D., announced that the government had decided to allow full freedom of access to the Irish labour market by nationals of the new EU member states with effect from May 2004, after which date work permits would not be required by those nationals to take up employment. An indication of this is the fact that the Irish government has just introduced primary legislation – an act of parliament – in fact, known as the Employment Permits Bill, 2003, to allow for the free movement of workers from candidate countries. This Bill puts the new arrangements on a firm statutory footing, providing for penalties for infringements of the law and providing for the implementation of a safeguard mechanism in the event of Ireland's labour market suffering serious shocks during the transition period provided under the Treaty of Accession (a total of seven years up to 2009). Section Three of the Bill provides that the Minister for Enterprise, Trade and Employment may re-impose the requirement for employment permits in respect of nationals of the relevant new EU member states, after accession, if labour market circumstances so require.

While there was a certain amount of controversy initially on the part of the Trade Unions and Employers Association, civil society organisations in general favoured the outcome.

Institutions

The Irish response to the conclusion of the accession negotiations in view of the distribution of seats in the (European Parliament) EP was positive, despite the discrepancy at the loss of three Irish seats. Nevertheless, the government was able to achieve widespread acceptance in the Irish parliament for the agreed distribution.

"In relation to the reduction in the number of Irish members (12 instead of the current 15) of the European Parliament after enlargement, proportionately Ireland has more than maintained its representation vis-à-vis the other smaller Member States. It is accepted that Parliament must have a ceiling on membership and that the allocation of seats, as agreed in Nice, has been accepted by all Member States and Applicant Countries"⁸⁰

The Irish government was satisfied with the blocking minority of the accession countries in the Council during the interim period.

It is as well fully supportive of participation of the accession countries in the next IGC and against the conclusion of the IGC before the accession countries are full members.

The Cyprus question

There is satisfaction with the Union's position and a hope for progress with regard to unification. The general public goodwill towards Cyprus and hope for reunification is based on a sense of empathy and on Ireland's own experience in Northern Ireland. It is hoped that enlargement and the possible accession of Turkey will encourage a resolution of the problem of the island's division on the basis of the UN plan.

Proceeding of the Copenhagen summit

Admiration has been expressed for the role of the Presidency while there was no surprise at

⁸⁰ Dail (Irish Parliament) Debates, 1st May 2003.

deroulement of the summit. There was a considerable amount of press coverage at the Polish demands prior to the summit and of the conditionality with regard to Turkish accession.

Italy

Overall deal

The Italian government feels that enlargement negotiations have been concluded positively and particularly appreciated the role played by the Danish government.

During the December 2002 Copenhagen European Council, the Italian government underlined that the costs/benefits-aspect of the enlargement process should be assessed quite independently of its general political significance. Foreign Minister Franco Frattini stated that “the favourable opportunities that will arise from enlargement to the ten candidate countries that are about to join the European geographic context will provide greater advantages than the costs that the member countries will have to bear“. According to the Italian government, enlargement represents the political, social and cultural unification of the continent and an enormous economic opportunity for both the new members and the old. But it is also a great challenge. Given the size of the enlargement (it will increase the territory and population of the Union by approximately 30 per cent, but its GDP by only 4.5 per cent), there will be the risk of a dilution of the Union’s political and institutional structure.

This is one of the reasons why the Italian government has emphasised four issues that it feels cannot be overlooked: (i) the unavoidable link between enlargement and institutional reform; (ii) the formal re-balancing that Europe will have to undertake towards the Mediterranean area and the Western Balkans after the current phase of north-eastward expansion; (iii) the need to make infrastructural development policy a priority of the post-enlargement process; (iv) reform of the Common Agricultural Policy (CAP), on which Italy has advanced specific proposals.

Financial package

The Italian government was pleased with the fact that the conclusions of the Copenhagen European Council set the figure of 40,8 billion € for the negotiating packages up to 2006. Even though it is estimated that the net balance in favour of the candidate countries in the initial period after accession will be 12 billion €, the figure set confirms what had been established in Berlin in 1999 when the financial prospects for the 2000-2006 period were approved. This is considered a good result above all because some candidate countries had advanced additional counterproposals during the final stages of negotiation that risked compromising the outcome of the whole exercise. Italy, like other member countries, was strongly against those counterproposals.

Furthermore, Italy feels that it is important even if not yet sufficient that the strengthening of infrastructural networks (with particular attention to the construction of Corridor 8 and Corridor 5, future axes of the European transport system, which will intersect at Trieste) was, thanks to Italian urging, accepted as a priority for the post-enlargement process.

Transition periods

Italy does not have particular problems as regards transition periods. Several candidate countries have asked Italy not to take advantage of the agreed transition periods related to the free movement of workers. In a recent press conference (28 April), the Minister of Labour, Roberto Maroni, hinted that the government might review its stance concerning the transition periods and abstain from using them. This position, which appears to be shared by the foreign minister, will be discussed in a coming Council of Ministers meeting where it is likely to be adopted.

Institutions

The Italian government considers the distribution of seats in the European Parliament, as provided for in the Nice Treaty, adequate even if it recognises that it is partially discriminating. For some candidate countries, in fact, it does not respect the correct proportion between

population size and parliamentary representation.

The Italian government feels that the issue of the participation of the candidate countries in the coming IGC was resolved satisfactorily at the Copenhagen European Council, which declared that the candidate countries will fully participate, even though there is no way to get around application of Article 48 of the current Treaty of European Union, which states that the treaties can only be revised by the member countries. Italy and all other members countries have stated that even if the IGC were to conclude before 1st May 2004, the date foreseen for the entry of the ten candidate countries with which negotiations have been concluded, the signing of the treaty will take place later, giving the new members the possibility of not signing it, which would account to give them a veto power. The member states will thus have an incentive to negotiate seriously with the candidate countries, even during the IGC, and to take their points of view into account.

The Cyprus question

Italy hoped that an agreement over the Cyprus question could be concluded in the final phase of the accession negotiations by taking advantage of the positive political climate that the prospect of membership had created in both the Greek and the Turkish parts of the island. It now seems very unlikely that the conflicting parties, having missed this opportunity, will make a decisive breakthrough in the coming months. However, according to the Italian government, the fact that a large majority of the Turkish population of Cyprus is in favour of a compromise allowing them to become citizens of the EU is something that should encourage and facilitate the mediation efforts of the international actors.

Proceeding of the Copenhagen summit

The Italian government believes that the Danish presidency played a crucial role in building the necessary consensus on the enlargement package. During the Copenhagen summit, it was very effective in reconciling limited additional concessions for the candidate countries with respect of the parameters established at the 1999 Berlin Council.

During the Copenhagen summit some candidate countries were particularly vocal in emphasising their national interests, but not to the point where the final agreement could have been blocked. Generally speaking, Italy feels that the candidate countries have made important efforts to adapt to the rules and the constraints of the EU and that they have demonstrated their willingness and readiness to take on responsibilities.

At the Copenhagen summit, Italy proposed to set a date for the beginning of negotiations with Turkey. However, the agreement reached at the summit to postpone the decision about Turkish accession negotiations to 2004 is viewed by the Italian government as a good compromise.

Netherlands

After the national elections on 22 January 2003, the Dutch political landscape seemed to have stabilized after a rather brief and chaotic governing period of a centre-right coalition consisting of CDA (Christian-Democrats), VVD (Liberals) and the newly established rightwing populist party LPF (named after its assassinated leader Pim Fortuyn). The latter party lost dramatically in the elections and both the Labour Party (PVDA) and the Christian Democratic Alliance (CDA) won after an exciting neck-and-neck race in which CDA ended up as the final winner. Although the outcome of the elections would have most likely led to a centre-left government the formation talks between CDA and PVDA have failed recently, because both parties were unable to agree on financial matters. On the 17th of April new formation talks between CDA and VVD started and recently the liberal-democrats D'66 have been included as well.⁸¹

Since the fall of the previous Cabinet in October last year no new government positions regarding European enlargement have been issued and in the governments memorandum

⁸¹ 'Formatie afgebroken'; 'De formatie op donderdag' and 'CDA en VVD praten verder met D66' (10, 17 and 19 April 2003) from the official web site on the formation of a new government: <http://formatie.regering.nl>

concerning the Convention of 7 March 2003 it was stated that the government being under resignation did not deem it appropriate to release new policies. Therefore it is considering the position paper 'Europe under construction' (25 September 2002) and the Benelux-memorandum (5 December 2002) as a starting point for the Dutch contribution in the Convention.⁸² Although the government is being under resignation it is currently acting actively within the Benelux-framework as a safe guarder of the community method in the European Convention.⁸³ At the moment, it seems very likely that the new government will have again a centre-right orientation and therefore no major changes are expected in the current approach towards European integration and the future of the European Union.

Overall deal

At the European Council in Copenhagen (12-13 December 2002), the negotiations with 10 Candidate Countries were concluded, the roadmaps for Bulgaria and Romania were re-considered, and a decision was taken on the position of Turkey as a candidate. During the debates following this Council in parliament a majority stated that the European Council of Copenhagen has succeeded although it has not been a 'champagne summit' due to tough negotiations on the enlargement process. In general, it was considered a set-back for the moment that Cyprus will not be able to join as one state. Another point of criticism for many MP's was the fact that the EU will pay a higher price for the accession of Poland by granting 1 milliard extra direct income support to Polish farmers. In this respect several parties expressed their concerns regarding the needed future reforms of the Common Agricultural Policy. On the other hand the Parliament

⁸² Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (7 maart 2003) 'Regeringsnotitie Stand van zaken in de Conventie' Tweede Kamer, vergaderjaar 2002-2003, 28473, nr. 4.

⁸³ For example during an informal meeting with like minded nations preceding the European Council meeting in Athens on 16 April 2003 and in a letter of protest to the Chairman of the Convention Giscard d'Estaing on the proposal to abolish the rotating presidency of the Union by the Benelux countries on 25 April 2003.

praised the strong role of the Danish presidency as chair and several fractions also voiced satisfaction over the role played by Dutch officials during the summit. Which on the one hand was considered to be more cooperative compared to the Brussels summit, but on the other hand also was a leading role in preventing the setting of a date for accession negotiations with Turkey without the Copenhagen political criteria being fulfilled.⁸⁴

Financial package

At the General Affairs and External Relations Council (9-10 December 2002) the presented proposal by the presidency and the Commission on the overall package for the candidate member states was supported by a majority of member states. This also included the financial proposals on the condition it was stated that this would be the maximum limit. The Netherlands was the only member state pleading for maintaining the expenditure ceiling of Berlin. This was line with previous positions taken by the government on the need to reform the Common Agricultural Policy (CAP) and the structural policy to ensure an efficiently and financially sound European Union after Enlargement. However, broad support was voiced for the Dutch proposal to include the financial agreements of the European Council of Copenhagen in the presidency's conclusions.⁸⁵ At the European Council of Copenhagen (2002), the Netherlands hold a tough position in first instance insisting on spending no more than 39.3 milliard Euro to facilitate enlargement. In the end the Prime minister agreed with 40.8 milliard Euro of European spending, which he considered a satisfactory result.⁸⁶ The Dutch government finally agreed with the compromise allocating 1 milliard Euro

⁸⁴ 'Balkenende in Tweede Kamer: "Tweedeling Europa definitief ten einde"' and 'Vrees stagnatie landbouwhervormin' (18 December 2002) from 'Europa portaal' the official web site of the Ministry of Foreign Affairs for informing Dutch citizens on EU issues: <http://www.europaportaal.nl/news>.

⁸⁵ Letter to parliament of the Minister of Foreign Affairs (10 December 2002) 'Verslag van de Raad Algemene Zaken en Externe Betrekkingen van 9 en 10 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-02, nr. 457.

⁸⁶ 'Compromis over financiën maakte weg vrij voor uitbreiding'(16 December 2002), www.europaportaal.nl/news

of structural funds for a temporary cash flow facility for Poland and allocating another 108 million euro for border control under Schengen; another cash flow arrangement of 100 million euro for the Czech Republic and additional funds for all candidate member states except Poland of 300 million euro. The government accepted the compromise, because amongst others the Berlin expenditure ceiling was not exceeded. In conclusion, they insisted on including the financial arrangements in the presidency's conclusions and highlighted the need for close monitoring of the follow-on by the candidate countries, which were both reflected in the conclusions of the presidency.⁸⁷

Transition periods

As mentioned above the Dutch government attaches great value to the monitoring of candidate member states by the European Commission. With regard to granted transition periods the government pleads for ongoing monitoring after enlargement.⁸⁸ These fields have the special interest of the Netherlands as a trading country and front-runner in environmental policy. Environmental policy, quality of life and food safety are among the main priorities in this respect. The government has applauded the achievements by candidate countries in this field for example the closure of unsafe nuclear plants.⁸⁹ On the chapter of free movement of capital the government has expressed its concern on the buying of land. Especially in the case of Poland, where the interests of Dutch farmers are at stake. Poland was namely granted a transition period of 12 years with an exception for independent Euro-

pean farmers, who were allowed to buy land in the Northwest of Poland 7 years after accession and in the rest of the country after 3 years. The government then managed to obtain that the transition period for independent farmers will start from the moment they are renting land in Poland, which actually is the case for a number of Dutch farmers.⁹⁰

Institutions

With regard to the Convention and the next IGC the Dutch government has expressed the opinion that the ten candidate member states should be fully involved in the process and participating on basis of equal treatment no matter which time schedule will be decided upon. One of the arguments mentioned is that the future members will be signing the new treaty as well and as such have the right to full participation in the process.⁹¹

The Cyprus question

The Dutch government stated in November 2002 in a letter to parliament that it supports the conclusions of the European Council of Helsinki and it considers a political solution desirable, but not a precondition for accession. However the Netherlands actively supports a solution for Cyprus and have send the Secretary General of the UN a letter to express support for his efforts in bringing both parties together. Apart from this training on EU integration has been provided to a group of Turkish-Cypriots in October 2002 and an Embassy has been opened in Nicosia in June that same year.⁹² At the European Council in Copenhagen the Netherlands agreed to admit Cyprus as

⁸⁷ Letter to parliament of the Minister of Foreign Affairs (16 December 2002) 'Verslag van de Europese Raad van Kopenhagen, 12-13 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

⁸⁸ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'Regeringsnotitie Verantwoord Uitbreiden' § strikte toetsing & kwaliteitsverzekering, Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2.

⁸⁹ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'Regeringsnotitie Verantwoord Uitbreiden' § Europa als Nederlands belang, Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2.

⁹⁰ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'De Staat van de Unie', Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2, p.8-9.

⁹¹ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (7 maart 2003) 'Regeringsnotitie Stand van zaken in de Conventie' Tweede Kamer, vergaderjaar 2002-2003, 28473, nr. 4.

⁹² Letter to parliament of the Minister of Foreign Affairs (15 November 2002) 'Betekenis van de tweedeling van het eiland Cyprus voor de mogelijke toetreding tot de EU', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

member state with a strong preference for a united Cyprus to join the EU, because of the strong commitment displayed by both communities to continue the negotiations.⁹³ Recently, the Netherlands has hosted the talks between both sides on the UN proposal under the supervision of UN Secretary General Kofi Annan on 10 March 2003, which regrettably led to no result.⁹⁴ At the moment, the government keeps an eye on the new Prime minister of Turkey, who might play a crucial role in the solution of the Cyprus issue.⁹⁵

The proceeding of the Copenhagen summit

As mentioned above, the Dutch Parliament has praised the strong role of the Danish presidency during the European Council proceedings in Copenhagen and also expressed its satisfaction with the role played by Dutch officials especially with regard to the Turkish question. The Parliament has voiced its concern on the higher price paid for Polish accession in relation to future reforms of CAP. With regard to wishes of current member states the Dutch government has taken position against the case of Portugal claiming the need for compensating the effects of a reversed CAP for that country. The compromise suggested by the government in giving the Commission the assignment to investigate and report on the case of Portugal has been accepted at the European Council of Copenhagen.⁹⁶

⁹³ Letter to parliament of the Minister of Foreign Affairs (16 December 2002) 'Verslag van de Europese Raad van Kopenhagen, 12-13 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

⁹⁴ 'Cyprus-overleg in Den Haag loopt vast' (11 March 2003), www.europortaal.nl/news.

⁹⁵ Talks between the Minister of Foreign Affairs, Minister of Defence and State Secretary of European Affairs and the parliamentary committees on European Affairs, on Foreign Affairs and on Defence. 'Verslag van een algemeen overleg' (4 April 2003), Tweede Kamer, vergaderjaar 2002-2003, 21501-02, 21501-28, nr.469.

⁹⁶ Letter to parliament of the Minister of Foreign Affairs (16 December 2002) 'Verslag van de Europese Raad van Kopenhagen, 12-13 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

Spain

Overall deal

Spanish officials in charge of accession negotiations consider the final outcome of enlargement negotiations as a very balanced deal which should satisfy each and every one of EU member states and candidate countries and thus should face no problem in the ratification phase.

Financial package

The financial package is considered very positively by Spanish negotiators. The overall amount, they have emphasised, is well within the Agenda 2000 ceilings. Therefore, Spanish achievements at the 1999 Berlin summit concerning structural and cohesion funds, but also agriculture, have been preserved. In explaining Spanish satisfaction with the financial package of enlargement, two elements have to be highlighted: first, the fact that the financial package agreed in Copenhagen covers only the initial years of membership of the new members (2004-2006), which coincide with those in which the new members' absorption capacity is lowest; second, the fact that Bulgaria and Romania have been temporarily left out, thereby substantially alleviating the candidates' pressures on the EU budget. However, Spanish negotiators stress that the fact that the enlargement deal is considered satisfactory does not prejudice the Spanish position on the next financial perspective: first, the next perspective will have to bear the cost of the new members' full access to EU agricultural and structural policies; second, the new perspective will include budgetary transfers to Bulgaria and Romania, thus further increasing pressures on EU budget; third, all this takes place at the same time that member states pursue a track of budgetary reduction, as seen in the Commission's recent proposals for the 2005 budget, which for the first time sends EU expenditure below the line of 1,00 per cent of EU-15 GDP.⁹⁷

⁹⁷ Cf. Enlargement financial framework agreed (IP/03/526), Brussels, 9 April 2003; EU budget for 2004: first budget for the enlarged Union (IP/03/606), Brussels, 30 April 2003.

As a consequence, reconciling pressures to increase expenditures (as to satisfy the needs of the new members) with simultaneous pressures to cut expenses (as to satisfy those countries with a negative net budgetary balance) leads Spanish officials to anticipate a tough battle around the next financial framework (2007-2013).

Transition periods

At the time of enlargement negotiations, Spain had no particular query concerning transition periods. In general terms, Spain demanded the fullest and fastest possible implementation of the '*acquis communautaire*' by the new members. It has thus watched with concern, and it still does, the fact that the Commission and some member states have been willing to let the new members implement EU '*acquis*' on competition issues with so much laxity. This is a matter that has been dragging on at least since the 1991 Europe Agreements negotiations and which raises a lot of concerns among Spanish firms, given that it means that firms from the new members will have full access to the internal market without, at the same time, having to follow the same rules which ensure fair competition. As raised in various independent reports which recently came out in Spain, two more immediate threats which the Spanish economy faces from the new members are: first, the fact that Spanish export markets in Europe may be affected by low priced products from the new member states; second, that foreign firms will start shifting foreign direct investment flows towards the new members states. Since in both cases competition rules and regulations on state-aids are crucial, the interest of the Spanish government in having the fastest and fullest application of the '*acquis*' in those areas is very easy to understand.⁹⁸

⁹⁸ See both the December 2001 report by the influential *Círculo de Empresarios* or Businessmen Association on the role of Spain in an Enlarged EU ("*El Papel de España en una Unión Europea Ampliada*", Madrid: *Círculo de Empresarios*, 2001); the report published by the influential Catalanian Savings Bank, La Caixa, on the Impact of Enlargement on the Spanish Economy ("*La ampliación de la Unión Europea: consecuencias para la economía española*", Colección de Estudios Económicos La Caixa, no. 27, 2002)

Institutions

All analysts coincide in pointing out that Spain did extremely well in Nice, at least in terms of the reweighting of its votes in the Council: it was the country that sought to multiply its votes for a largest factor (its votes in the Council were multiplied by 3,375). With this, it obtained satisfaction of the historic problem of its weight (having been considered a large country in the Commission, with the right to fill two posts of Commissioner, its votes in the Council were not matched to those of a large country). However, in return for this, it paid a high price in the Parliament, where it was forced to give sixteen seats up. That explains why the perspective of reopening the institutional chapter agreed at Nice, which the Convention has raised in its final Constitutional draft, has been so badly received in Spain. In terms of the participation of accession countries in both the Council proceedings and the IGC, this has never represented a problem for Spain. In fact, as the recent conflict in Iraq has shown, Spain has found that it shares more with some of the accession countries of what the natural antagonism in terms of EU budget may lead anyone to think.

The Cyprus question

Spain has always expressed its wish of having a reunited island joining the EU. At the same time, as the chances of unification are dim because of Denktash's evident opposition to any reunification plan, Spain is fully ready to support the EU fulfilling its prior commitment to take on the divided island under the leadership and international representation of the Greek-Cypriot government.

Proceeding of the Copenhagen summit

There have been no criticisms on the way the Danish Presidency managed the Copenhagen Summit. The Danish Presidency, as the Spanish did before, was fully aware of both the need to conclude an agreement and the limits of what Presidencies could do. The Brussels summit in October 2002 and the Chirac-Schröder meeting in Hotel Conrad made evident that the forthcoming elections in Germany

http://www.estudios.lacaixa.comunicacions.com/web/estudis.nsf/wurl/pbei027cos_esp

were the only true reasons why the Spanish presidency could not wholly close the chapters it had been assigned. Though some last minute tensions emerged in Copenhagen, the matter was largely settled after the Brussels Summit.⁹⁹

Sweden

Overall deal

The overall deal of the accession negotiations is generally perceived by Swedish politicians and analysts to be a positive and reasonable deal. Regarding the financial package and transition periods, there are no outcomes that are inferior to Swedish official interests in connection to the enlargement issue as such. Whereas Swedish representatives would certainly like to see drastic changes in some of the constitutive elements of the financial package, the overall ceiling on spending is satisfactory to most observers. What is more important, however, is that the overall deal carries the atmosphere of a security-political input to the reunification of Europe. This security perspective was emphasized thoroughly during the Swedish Presidency, (and shared by all parties in the Swedish Riksdag), and it is thus with satisfaction that leading political figures comment on the overall deal. Prime Minister Göran Persson noted at the end of the Copenhagen European Council meeting that during the summit in Copenhagen the last remnants of the walls of the Cold War were torn down, and that Europe is no longer divided between east and west.¹⁰⁰ The Moderate Party leader Bo Lundgren uses the same terminology in his response to the outcome of the negotiations.¹⁰¹ Foreign Minister Anna Lindh has argued that “enlargement has not always been a foregone conclusion”,

⁹⁹ The performance of the 2002 Spanish Presidency in enlargement negotiations is analysed thoroughly in the following Elcano Working Paper (<http://www.realinstitutoelcano.org/documentos/23.asp>). Regarding the Brussels Council and its consequences for Spain, the following analysis is available at Elcano's web site <http://www.realinstitutoelcano.org/analisis/132.asp>.
¹⁰⁰ Speech 2002-12-16, www.regeringen.se/goranpersson.

¹⁰¹ Press statement 2003-04-16, www.moderat.se.

but hard work has made the timetable realistic.¹⁰²

The Cyprus question

In connection to the otherwise successful outcome of the negotiations, many politicians have commented on the outcome regarding the Cyprus question, most often in terms of regret that only part of the island enters the union. Just to take one, Prime Minister Göran Persson had obviously hoped for a different outcome, and continues to emphasize the linkage to the United Nations in resolving the outstanding issues for reunification to take place.¹⁰³

Proceeding of the Copenhagen summit

The proceeding of the Copenhagen summit ties in closely with the overall positive impression. Many Swedish observers note a line of common interests from the Finnish through the Swedish to the Danish Presidency, and the framing of and commitment to the process displayed by the Danes is thus appreciated by many Swedes. Beyond praising the Danish Presidency, the Swedish Prime Minister has also emphasized the input of German Chancellor Gerhard Schröder.¹⁰⁴

United Kingdom

Overall deal

The British Government and the political parties are all strongly in favour of EU enlargement. The accession negotiations began under the United Kingdom's (UK) Presidency of the EU in 1998. In a speech in Warsaw in October 2000 the Prime Minister, Tony Blair, was the first EU leader to call for new member states to participate in the 2004 European Parliament elections. Since the accession of the applicants could not have been much earlier, the British government is happy with the results of the

¹⁰² Speech 2002-11-25, www.regeringen.se/annalindh.

¹⁰³ Speech 2002-12-16, www.regeringen.se/goranpersson.

¹⁰⁴ Speech 2002-12-16, www.regeringen.se/goranpersson.

Copenhagen European Council in December 2002.¹⁰⁵ It appreciates it as a “watershed moment”, “when the political negotiation with the 10 candidate countries concluded and the unification of Europe turned from ambitious vision into imminent reality”.¹⁰⁶

The opposition also supports enlargement. According to the leader of the Conservative UK Delegation in the European Parliament, Jonathan Evans, “enlargement is an historic opportunity to anchor the accession countries in peace, prosperity and democracy... Europe will be a better place as a result.”¹⁰⁷

EU enlargement is seen as a win-win situation for the UK and applicant countries. Research has shown that enlargement will add £1.75 billion to the UK budget. As the Department of Trade and Investment puts it, the benefits of enlargement can already be seen in the increased trade between Britain and various candidate countries.¹⁰⁸

Financial package

The UK is unhappy with the failure of the member states to reform the Common Agricultural Policy (CAP) prior to eastward enlargement. Even the limitation of the normal increase in farm spending to one per cent a year after 2006 is not the real solution that UK was aiming for. The Brussels deal means that the EU will continue spending half of its budget on a largely unreformed CAP until 2007 at least. By 2007, the CAP budget will have to be shared between 25 members rather than 15. Thus, the imperative to reform the CAP is growing.¹⁰⁹

Budget allocations from the EU’s regional programmes (structural and cohesion funds) raise some other problems: money could be

slow to come in the new countries and much of it will have to be co-financed out of national budgets. Thus, a situation when the new members will end up paying more into the EU budget than they receive in return could occur.

In the UK there is a strong current of opinion favouring the re-direction of EU spending on the poorest parts of the enlarged EU. At the same time, there is some unease in regions of the UK, which have been benefited from structural funds until now that their future receipts will diminish.

Transition periods

Once the Central and Eastern European countries are full members of the single European market, their citizens will have the right to settle and work in the other EU countries. While countries such as Germany and Austria imposed restrictions on labour flows for up to seven years after the accession date, UK has stated its intention to open its labour markets from accession. The British Government does not foresee a significant influx of migrant workers from applicant countries and will allow the citizens of the new member states the same full rights to work in the UK as enjoyed by existing EU citizens from the date of their planned accession on 1 May 2004.

However, safeguard clauses will be kept. According to the Foreign Secretary, Jack Straw, these will allow UK to reintroduce restrictions in the event of an unexpected threat to a region or sector in the labour markets.

The Foreign and Commonwealth Office (FCO) writes that this decision has been taken after careful analysis of successive independent studies, which show that there is unlikely to be a large influx of workers to the UK after accession. Indeed, many researchers think that there is no threat at all of Central/Eastern migration. “Predictions that millions of eastern Europeans will head westwards in search of comfort and prosperity are unlikely to materialise. High unemployment and slow growth in the EU – as well as cultural and linguistic barriers – will also put off potential migrants.”¹¹⁰

¹⁰⁵ “I think it is truly a moment that we can be proud of and offers us huge hope for the future.” Prime Minister, Tony Blair, Copenhagen, December 2002.

¹⁰⁶ www.fco.gov.uk.

¹⁰⁷ www.conservatives.com/news.

¹⁰⁸ Since 1990, UK trade with the ten new member states has increased by over 400 per cent compared with a 43 per cent increase in UK trade with the rest of the world; cf. www.fco.gov.uk.

¹⁰⁹ Katinka Barysch, Does enlargement matter for the EU economy?, Centre for European Reform, 2003.

¹¹⁰ Katinka Barysch, Does enlargement matter for the EU economy?, Centre for European Reform, 2003, p. 2.

According to the regional director of the Economist Intelligence Unit, Charles Jenkins, “this issue seems to be out of the news, but it would be interesting to see if it causes a problem or not after May 2004. But there is a feeling in the UK that Government is aware of this problem and would act if necessary.”

Institutions

Few doubt in the UK that the face of the European Union will be drastically changed after enlargement, since it will almost double the number of member states participating at meetings and summits. But few are happy with the way in which institutional reform has been addressed, and many more are arguing that the EU has failed to reform its institutions and decision-making procedures ahead of enlargement. Because of that, Government is preparing for the new Inter-Governmental Conference (IGC), which will be held in late 2003 or early 2004. The success of the next IGC will depend on how the Convention will meet the challenge of preparing the EU for a much larger and diverse membership as much as focusing on changing the way the existing EU works.

The UK is very committed to the Convention and sees the importance of the next IGC strongly linked to it: if the new Treaty presented by the Convention is credible, the IGC will have to accept it in large measure. If not, a messy IGC could occur and a messy compromise would have to be found on the grounds of another text. The latter is a scenario that the British Government aims to avoid.

The UK’s position is close to the French one – to give more power to the larger states. The current situation is sympathetic to the new comers, as the balance of votes in the Commission will tip in favour of the smaller countries (nine of ten acceding countries – all except Poland – are considered smaller states). The UK is also in favour of a powerful president of the Council as the main inter-governmental body. However, there are fears in the UK Government that such a scenario may not work, given the opposition of small countries.

The Cyprus question

UK strongly advocated the settlement of the Cyprus problem before the Copenhagen European Council on 12 December, at which key decisions on Cyprus’ candidacy were to be taken. The UK supports the United Nations’ (UN) proposals as a basis for negotiation, considered to be “an historic chance this year to bring peace and prosperity to the Eastern Mediterranean by means of accession to the EU by a re-united island.”¹¹¹

The British Government is convinced that a settlement in Cyprus is still attainable and sees the future of a reunited Cyprus in the European Union. “The quarrels and differences and passions of the 20th century in Cyprus should be laid to one side. A better future beckons for all the people of Cyprus from both communities. They should seize it” stated the Minister for Europe, Denis MacShane.

The UK feels some historical responsibility for the division of Cyprus and feels committed to bring stability in Cyprus, through the EU and UN approach to the Cyprus problem. Taking Cyprus on board means eventually taking Turkey as well, and that means bringing stability to the EU, as the Economist Intelligence Unit puts it.

Proceeding of the Copenhagen summit

Overall, there have been positive reactions to the Copenhagen summit, both by the Government and Parliament and by the British press.

However, concerning the Turkish question, the UK Government would have preferred an earlier date for the potential starting of negotiations. The British support for 2004 as a fixed “starting date” was seen as a reward for Turkey’s position in the Iraq war. After the Government had to accept that no other member state would support them with regard to this question, the delay was approved with equanimity by the political circles.

¹¹¹ Foreign Minister, Jack Straw, November 2002, www.fco.gov.uk.

2. Do you expect problems in view of

- **ratifying the accession treaty in your country?**
- **the time tables for ratification of the accession treaty and the convention process and next IGC?**

Austria

In the last Enlargement/Agenda 2000-Watch report, the author noted that a crisis within the governing coalition of the People's Party and Freedom Party could potentially lead to problems with ratification.¹¹² At that time (early September 2002), the resignation of leading Freedom Party cabinet members triggered a political crisis which led to a dissolution of the government and early elections. At the core of this crisis was – besides Freedom Party-internal strife – the issue of EU enlargement. Elections in November then returned a much-strengthened ÖVP under Chancellor Schüssel, who then – to the surprise of many – re-entered a coalition with his former partner, the FPÖ, who had been the big loser in the polls. The effect of this re-alignment of political power can be said to have stifled the anti-enlargement voices within the Freedom Party, and – a few mumblings here and there – it seems highly unlikely that there should be any problems ratifying the accession treaty in Austria. The new government, at its inauguration in February 2003, presented as part of its governmental manifesto an explicit commitment to Austria's ratification of the accession treaty in time to allow the new members to join on 1st May 2004. Besides, the two opposition parties, the Social Democrats (SPÖ) and the Greens, are unequivocally in favour of enlargement, and could easily join the ÖVP to outvote critics in Parliament. The treaty on enlargement has after all already been signed in Athens on 16 April by Foreign Minister Ferrero-Waldner. Nevertheless, it should be pointed out that there are still several issues of concern connected to enlargement for many in Austria (see first question) and the SPÖ and Greens both

¹¹² Enlargement/Agenda 2000 Watch 5/2002, p. 14.

highlighted their worries about still-existing potential for threats of a veto coming from the Freedom Party.¹¹³

No delays in the timetables for ratification of the accession treaty are expected in Austria. Indeed, the People's Party highlights the positive signal sent to other accession countries by the results of the referendums held in Malta and Slovenia.¹¹⁴ As regards the timetable for, and successful completion of the work of the Convention, there are however some critical voices in Austria. As stated above, in principle, all groups welcome the work of the Convention, and hope for clarified competencies within the Union as a result.

In practice however, Austrian Convention members have participated in the widespread critique of the body's chairman, Valéry Giscard d'Estaing, for his perceived authoritarian style and bias towards a Union of strong member states, rather than a Europe with strengthened supranational institutions.¹¹⁵ Notably, Johannes Voggenhuber, the Green Party's representative to the Convention, has been particularly vocal on these issues. The Green Party is against the notion of including the EURATOM treaty of the 1950s in a future EU constitution.¹¹⁶ The Freedom Party also considers the timetable for the Convention badly planned, and that – given the emergence of several points of substantial disagreement (notably plans for a presidency of the Council of Ministers and the future number of commissioners) – delays in this process, or even a failure to complete the process must be considered a possibility.¹¹⁷

¹¹³ Interviews with officials from the Grünen, SPÖ, April 2003.

¹¹⁴ Interview with a senior ÖVP official, April 2003.

¹¹⁵ See for example the report published by the Austrian Society for European Politics, 'Und der Konvent bewegt sich doch'. Votragsveranstaltung der Österreichischen Gesellschaft für Europapolitik', 26 March 2003, published on their website: <http://cms.euro-info.net>.

¹¹⁶ Press statement by the Grünen, January 2003.

¹¹⁷ Interview with a senior FPÖ official, April 2003.

Belgium

Speaking in terms of the Belgian constitutional law, the accession treaty will be a "mixed treaty". This means that the treaty covers fields of competencies both of the regions and of the federal state. All seven competent legislative authorities have to agree before the accession treaty is fully ratified by the Belgian government.

The Belgian government has no problems with the date of signature of the accession treaty and is convinced that the necessary ratifications will allow the candidate countries to become members before the European Parliamentary elections of 2004. As the Deputy Minister for Foreign Affairs stated in a speech on "Enlargement: the final lap": "... [T]hroughout the history of European integration, the European Union has always set itself target dates and never in the history of European integration have we failed to meet these dates. [...] As far as the enlargement process is concerned, there is no reason why it should go otherwise."¹¹⁸

Denmark

Enlargement has been the number one priority in Danish European policy over the past 10 years, and the process enjoys solid backing by a large majority of the population, the interest organisations, the political parties, etc. The widespread consensus, particularly in parliament, makes it unlikely that any problems could occur with a view to the ratification of the accession treaties. The ratification will take place by vote after a general debate sometime during May 2003 (no national referendum is foreseen in Denmark, as the accession of other countries to the EU does not trigger the article in the Danish constitution (art. 20) that deals with the handing over of sovereignty to international organisations).

The Danish government would not like to see any rushing of the next IGC, in order to get a

¹¹⁸ Annemie Neyts-Uyttebroeck, Speech at the conference on Poland at the University of Antwerp, 8 November 2002.

new Rome Treaty in place by December 2003.¹¹⁹ As mentioned above, Denmark signed a statement together with Finland, the UK and Sweden advocating that "a substantial period of time" should elapse between the conclusion of the Convention's work and the beginning of the next IGC. Other political parties and interest groups generally share this view. There has not been a wider public debate on this question.

Finland

No problems are to be expected in the ratification of the accession treaty in Finland. The Parliament is expected to ratify the treaty before the end of the year. As to the timetable in general, the government's position is that the Convention should finish its work in the agreed timeframe by the end of June 2003. There should also be enough time between the Convention and the IGC to guarantee that the Parliament has time to study the issues and to create the conditions for a thorough national debate.

France

In France, treaties can be ratified either by a vote of parliament or by a referendum, if the president decides so. The ratification of the accession treaty will almost certainly take the parliamentary path. Jacques Chirac cast some doubts on 17 February, during the extraordinary European summit, when he underlined how dangerous it was for the future members to voice so loudly their solidarity with the United-States. "A number of countries, among the fifteen, will have to ratify enlargement through a referendum". However, French officials swiftly denied that president Chirac might chose to organise a referendum.

A number of prominent members of the Socialist Party have called for such a referendum,

¹¹⁹ Anders Fogh Rasmussen, 15 January, remarks after the speech.

most notably, two “trends” of the party (Nouveau monde et Nouveau parti socialiste). Their argument is that enlargement to ten new members will radically change the nature of the Union, and that therefore the people should be consulted. Some socialists (Arnaud Montebourg and Christian Paul) went even further: they called for a referendum in the hope that the answer would be no.¹²⁰ However, the Socialist Party has officially refused to endorse this position.

The debates in the French parliament should take place in autumn 2003. Given that all major political parties officially support enlargement, the outcome should be an overwhelming ‘yes’. However, individuals from all political horizons will probably call for a ‘no’ vote.

During the Copenhagen Summit in December 2002, France used the argument of the tight timetable to postpone the assessment of Turkey’s progress. While Costas Simitis, the Greek Prime Minister, wanted an early date, the French argued that given the need for rapid ratification, it was risky to reopen the Turkish question before the end of the ratification process.¹²¹ In many countries, including France, the Turkish question is indeed a very controversial issue (see below).

The main uncertainty about the timetable regards institutional reform. Will the Convention be able to hand in a draft of the Constitution on time (for the European Summit of Thessalonica on 20-21 June)? Will the ICG be able to reach conclusions before the end of the Italian presidency? Many in France would like to see the new constitution ready before 1st May 2004. President Chirac’s emphasis on the need to turn rapidly the page of the divisions over the war in Iraq is probably largely motivated by the will to prepare the negotiations of the ICG.¹²²

Germany

No major problems are expected with regard to ratification of the accession treaty in Ger-

many.¹²³ This is so despite the partly deviating voting behaviour of some German deputies on the occasion of the European Parliament plenary session of 9 April 2003, when all 10 deputies from the Bavarian Christian Social Union (CSU) as well as five representatives of the nation-wide Christian Democratic Union (CDU) opposed the accession of the Czech Republic because of the still unresolved question of the Beneš decrees. It is true that these delegates justified their decision with the continued immunity granted to crimes against the Sudeten Germans, which they designated as a „serious violation of fundamental values of the European Union“,¹²⁴ but this appears to be a tactical rather than political conduct. In view of the regional elections in Bavaria later on this year and the traditionally close links between the German conservatives and the community of Sudeten Germans, not all representatives managed to differentiate between polemics and historical responsibility, as did instead a Christian Democratic delegate in stating: „If the Czechs stay out, nothing is gained“.¹²⁵ In any case, these political tensions within the German debate might explain why Germany – besides Austria – has been particularly active in initiating several experts’ opinions.¹²⁶

In view of the referenda that take place in nearly all accession countries, some misgivings have been expressed only shortly after the Copenhagen summit. The Social-Democrat chairman of the German-Polish parliamentary group, Markus Meckel, heavily criticised the candidates for having failed too long to convince their populations and having, instead, always pursued policies for their own clientele.¹²⁷ However, there is broad optimism that all countries successfully manage to reach a positive outcome with a view to the accession referenda. After a short period of diplomatic frictions between German and Polish politicians, due to the clear (US-friendly) positioning of Poland in the context of the Iraq crisis,

¹²³ The first reading of the accession treaty in the German Parliament will take place on 26 June 2003.

¹²⁴ Cited in *Die Welt*, 10 April 2003.

¹²⁵ *Süddeutsche Zeitung*, 10 April 2003.

¹²⁶ See an overview of the existing opinions on the website of the University of Salzburg: <http://www.sbg.ac.at/whbib/docs/gutachten%20zu%20den%20benes%20dekreten.htm>

¹²⁷ *Süddeutsche Zeitung*, 16 December 2002.

¹²⁰ *Le Monde*, 22 October 2002.

¹²¹ *Le Monde*, 14 December 2002.

¹²² *Le Monde*, 28 March 2003.

Chancellor Schröder recently met his counterpart, Leszek Miller, in Lodz, trying to dispel accession-related fears in Poland and stating that “Poland not only needs Europe, we as Europeans need Poland as well”. He expressed great optimism “that the Poles will not miss the historic opportunity of accession to the European Union”.¹²⁸

The German government expects the Convention to present its draft Constitution as foreseen in summer 2003. The objective remains that the next IGC can already be concluded this year with the adoption of a European Constitution.¹²⁹ Nevertheless, as the Copenhagen European Council decided that this constitutional treaty shall only be signed after accession,¹³⁰ the Foreign Ministry points out that the candidates shall in every case fully participate in the IGC.¹³¹

Greece

No problems are expected with ratifying the accession Treaty in Greece: The legal basis offered by art. 28 of the Constitution has proved fully adequate in all earlier enlargements and the political parties represented at the Greek Parliament – there is no legal need for a referendum nor a referendum tradition – are overwhelmingly in favor of enlargement. The same goes for the ratification of the outcome of the IGC, which is expected to follow the work of the Convention – be it a Constitution or a further Treaty. Since the days when the Cyprus accession was not deemed certain because of hesitations in some EU countries Parliaments to ratify unless a prior solution to

¹²⁸ Press briefing, German Press Office, 5 June 2003, download: www.bundesregierung.de.

¹²⁹ Gerhard Schröder, Government declaration on the results of the Copenhagen European Council, Deutscher Bundestag, 19 December 2002, in: Bulletin der Bundesregierung, Nr. 103-1, 19 December 2002.

¹³⁰ Presidency Conclusions, Copenhagen European Council, point 8.

¹³¹ Wir brauchen mehr Bellevue als Elysée – Interview mit Hans-Martin Bury, Staatsminister im Auswärtigen Amt, zur künftigen Rolle des EU Ratspräsidenten, in: Der Tagesspiegel, 26 May 2003.

the Cyprus issue was found, leading figures of the Greek political scene including Parliament Speaker Apostolos Kaklamanis have made it clear that the Greek Parliament will be the last of the Fifteen to ratify – so as to make certain that Cyprus is not crowded out from the package of accessions in the course of ratifications. Following Copenhagen (2002) and the Hague efforts to find a solution to the Cyprus issue in a U.N. context and the impasse that remained due to Turkish-Cypriot (and Turkish) negativism, such a problem with ratification of the Cyprus accession does not seem to exist. Still, ratification in Athens should be expected late – unless anticipated Greek elections are proclaimed.¹³² In such a case ratification proceedings might be included in the electoral campaign strategy of the Government party, as a success milestone.

Ireland

No problems are expected in view of ratifying the accession treaties at present, but much will depend on the outcome of the IGC. It is expected that ratification will be complete at the latest by October 2003. There should not be any difficulty in securing a large majority in favour of ratification in the Irish parliament although there may be some references in the debate by individual T.D.’s opposed to the Iraq War about Polish support for the coalition of the willing, which may lead to some abstentions.

In a recent publication entitled: “Identifying Priorities and Pursuing Goals”, 2nd Edition 2003, Department of the Taoiseach, the Irish government addresses the issue of the timetable for the IGC: “It is our view that the accession countries should be fully associated with the IGC. The question of the timing of the IGC is likely to be decided at the European Council in June 2003. Ireland believes that there should be a reasonable period of reflection after the completion of the Convention, allowing for consideration of its outcome by parliaments and public opinion. While the length of the IGC will be closely related to the level of agreement reached in the Convention and the

¹³² Elections are foreseen for April 2004.

number of outstanding issues, it is quite likely, though not certain that work on a new Treaty will be concluded in the Irish Presidency in 2004”.

Italy

There is a broad consensus in the Parliament and the country on the ratification of the accession treaty. All major political parties (from both the government and the opposition) are in favour of enlargement. Even in the past, Italy has never had problems with the ratification of accession treaties. The impact of enlargement on Italy will be tackled during the next parliamentary debate on ratification. The main focus of the discussion will be on the less developed regions that usually benefited from community subsidies.

The ratification process and entry into force of the Treaties have their own dynamics, therefore the Convention process cannot be connected to the next IGC. From a legal point of view, the only prerequisite of enlargement is the entry into force of the Nice Treaty. Ratification of enlargement will go ahead regardless of the treaty. Italy would like to keep the two matters distinct.

The Italian government would like the IGC to start in the second half of 2003 and to end, in any case, before the accession of the candidate countries. In this perspective, it supports the proposal that the new treaty be signed immediately after accession in May 2004 so that the European Parliamentary elections can provide an opportunity for public debate of the new constitutional treaty. It also proposes that the signing ceremony takes place in Italy.

Netherlands

With regard to the ratification of the Accession Treaty signed in Athens on the 16th of April no problems are foreseen in the Netherlands. Although the overall ratification procedure is a rather time consuming one of approximately 9

months the treaty is expected to be ratified before 1 May 2004.¹³³

The proposal to schedule the Intergovernmental Conference (IGC) during the Italian presidency issued by the Greek and Italian delegations during the General Affairs and External Relations Council in December 2002 was met by hesitation. The government holds the position that the schedule as agreed upon during the European Council in Nice (December 2000) should be kept and accordingly the IGC should be scheduled for 2004. They also argued that organising the IGC on such a short notice after the Convention might put unnecessary and unwanted pressure on the proceedings of the Convention.¹³⁴ In response to the proposal to finalise the IGC before the elections of the European parliament in June 2004 put forward by several member states at the European Council in Copenhagen the Prime minister Mr. Balkenende argued that the new member states should be fully involved in process of drafting a new treaty. It was therefore to the government's satisfaction that in the conclusion of the presidency it was stated that the new treaty will only be ratified after the accession.¹³⁵

Spain

The ratification process in Spain will be started in June. Given the fact that all political parties in the Parliament support EU enlargement, no ratification problems are envisaged.

¹³³ 'Lidstaten en kandidaten ondertekenen toetredingsverdrag in Athene' (16 April 2002), www.europortaal.nl/news.

¹³⁴ Letter to parliament of the Minister of Foreign Affairs (10 December 2002) 'Verslag van de Raad Algemene Zaken en Externe Betrekkingen van 9 en 10 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-02, nr. 457.

¹³⁵ Letter to parliament of the Minister of Foreign Affairs (16 December 2002) 'Verslag van de Europese Raad van Kopenhagen, 12-13 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

Sweden

There are no foreseeable problems regarding the ratification of the accession treaty in Sweden. All parties in the Parliament are long-time supporters of the enlargement, and linkages to issues such as CAP reform, which could jeopardize enlargement, are not being made. Furthermore, Swedish public opinion is by and large positive to enlargement, which renders a parliamentary ratification of the accession treaty even less controversial and problematic.¹³⁶ Judging from the relative silence from Swedish representatives in this regard, there are at present no major worries that the timetable for ratification will be upset by the convention/IGC process. The issues of enlargement and reform have been decoupled through a number of means, not least the outcome of the Copenhagen European Council, and there seems to be little risk that if the IGC finishes before May 1, 2004, it should have a fundamental impact on the date of entry of the acceding countries.

United Kingdom

The British Government expects that the process of ratification will pass smoothly and that the Treaty will be ratified by the end of the year. The Government has already decided on the nature of the legislation to ratify the relevant accession treaties. "Although there are very few certainties in politics, I can say that I am completely confident that that will go through very quickly in both our Houses of Parliament", claimed Foreign Minister, Jack Straw on 13 March.

¹³⁶ In the most recent Eurobarometer, 65% of the Swedes were in favour of enlargement, see further www.europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_sweden.pdf.

3. Are there special interests and concerns with regard to the continuation of the accession negotiations and the enlargement policy of the EU? Please comment on

- **the perspectives for the candidates Bulgaria and Romania**
- **Turkey**
- **other probable candidates, like Croatia**

Austria

Bulgaria and Romania

All political parties and groups welcomed the perspective – held out to Romania and Bulgaria at the Copenhagen summit – that the two Eastern European countries could if all goes well become members of the Union in 2007.

Turkey

There is general agreement that Turkey should be dealt with fairly, but that it still needs to make substantial reforms in the areas of human rights, democracy, the rule of law, and protection of the rights of minorities. As in other EU countries, the debate over potential future membership for Turkey in the European Union caused a wave of debate about the nature of the Union, and whether its roots lay in its (alleged) history of common Christian values, or in the fundamental principles of democracy, rule of law and human rights, as well as close economic integration.¹³⁷ The SPÖ insisted that no promises should be made to Turkey on behalf of the EU that cannot be kept,¹³⁸ and the Federal Economic Chamber highlighted the economic benefits of membership of a "strong

¹³⁷ See for example the article in 'Der Standard', 10 December 2002; and opinion pieces by Michael Fleischhacker in 'Die Presse', 11 December 2002; Albert Rohan in 'Die Presse', 7 January 2003 and many others in the period surrounding the Copenhagen summit in December 2002.

¹³⁸ Interview with a senior SPÖ official, April 2003.

partner” Turkey for the European Economy.¹³⁹ All supported the decision to hold out the possibility of accession negotiations with Turkey commencing in 2005, should it have demonstrated substantial reform by the end of 2004.

Other probable candidates

Croatia’s recent application for membership was warmly welcomed, given Austria’s proximity and strong awareness of the fall-out of the various Balkan wars of the 1990s, which make it highly aware of the benefits of further integration of one of the most troubled European regions. The Federal Economic Chamber pointed out specifically that Austria is the single largest investor in Croatia, evidencing strong economic links.¹⁴⁰

Belgium

Bulgaria and Romania

Belgium agrees with the opinion expressed by the European Commission that Bulgaria and Romania have made insufficient progress to close accession negotiations at the same time as the other candidate countries. Consequently it agrees with the provisional date for membership in 2007.

Turkey

The Belgium government is in favour of the accession of Turkey to the EU.

At the Copenhagen summit in December 2002, Belgium defended the position that the Turkish situation should be evaluated in 2004 and that then, under certain conditions, the negotiations with Turkey could start. Consequently, the Belgian government was pleased with the outcome of the Copenhagen European Council, especially because the agreement reached at the summit only took into account the criteria of Copenhagen, and not any strategic or religious considerations.

¹³⁹ Interview with a senior WKÖ official, April 2003.

¹⁴⁰ Interview with a senior WKÖ official, April 2003.

According to Prime Minister Guy Verhofstadt, there can be no doubt concerning the Turkish application for EU membership: “Turkey belongs to the European Union. And the question whether Turkey can join the European Union was answered three years ago, in Helsinki.”¹⁴¹ The accession date depends on the fulfilling of the Copenhagen criteria.

Minister of Foreign Affairs, Louis Michel, stressed that the European concept is based on values, not on frontiers.

A dissident voice on Turkish accession comes from the former Belgian Commissioner Karel Van Miert, who says that the Union should first digest the enlargement from 15 to 27 before thinking about opening the doors for Turkey. However, membership can't be withheld from Turkey, as it was the Union itself which offered the perspective for accession, instead of striving for “bon voisinage”, which would have been a better option, according to Mr. Van Miert.

Other probable candidates

Belgian Minister of Foreign Affairs Louis Michel is of the opinion that the European Union can not be defined on the basis of artificial boundaries but has to be based on values. In his view, enlargement of the EU up to some forty members is a logical continuation of the previous process. It is the most adequate way to maintain peace. In this context, Minister Michel quoted the fact that co-operation agreements have already been signed with Croatia and Macedonia. He is sure other countries will follow their example.

As boundaries will – according to Minister Michel – lose their efficacy, he does not exclude that within half a century, Morocco, Tunisia, Algeria and even the Middle-East might fit in the European concept.¹⁴²

¹⁴¹ Guy Verhofstadt, *Montesquieu en de Europese Unie*, Brugge, 18 November 2002, download: http://premier.fgov.be/topics/speeches/n_speech130.html (own translation).

¹⁴² “Als u bijvoorbeeld spreekt over Marokko, Tunesië, Algerije en zelfs het Midden-Oosten, dan zie ik het zeer goed zitten dat die, binnen een halve eeuw bijvoorbeeld, deel uitmaken van hetzelfde concept. Ik ben misschien een beetje universalist, maar dat is mijn opvatting”, Louis Michel, *Com-*

Denmark

Debate on continued enlargement of the EU has not met any resistance in Denmark, neither among politicians nor among the general public. Generally, fear of diluting the EU has taken backseat to reuniting Europe (though another analysis is that this lack of concern might also be due to Danish scepticism towards the EU in general).

Bulgaria and Romania

The Danish government's support for Bulgarian and Romanian membership by 2007 has been uncontested in the Danish press and by the political parties. The Danish ambassador to the EU during the Danish presidency, Poul Skytte Christoffersen, who was also responsible for a large part of the enlargement negotiations on behalf of the Presidency, is quite optimistic about the possibility of meeting this goal. He has been quoted for saying that he has no doubts as to whether the negotiations with Bulgaria and Romania can be completed in time for the two countries to join the Union in 2007.¹⁴³ Furthermore, it has been a priority to send a clear signal to the Romanian and Bulgarian governments that they have not been forgotten, with additional financial assistance allocated to Romania and Bulgaria in Copenhagen and the opening of all remaining negotiation chapters with Romania before the end of the Presidency.¹⁴⁴

Turkey

As for Turkey, the Danish government is quite satisfied with the agreement reached in Copenhagen. The Prime Minister has refrained from giving an indication of when Turkey could become a member of the Union, as well as for a date for the start of negotiations. On the other hand, the Minister of Foreign Affairs, Per Stig Møller, has made it clear that Turkey shall

belong to the European Union, but that it might take 15-20 years before actual accession can take place. Despite a few disputes on the possibility of Turkish membership in the EU among the Social Democrats, all parliamentary parties except the Danish Peoples' Party have come out in favour. The Danish Peoples' Party is strongly against Turkish EU membership.

Recently, during the war against Iraq, the Danish Prime Minister has been quoted by the Financial Times for warning Turkey not to cross the border into Iraq as this would put "Turkey's bid for membership on ice".¹⁴⁵

Other probable candidates

Regarding Balkan applicants for EU-membership, the Danish government prefers in the first place Croatia's accession. Probably, the government will give in the near future explicit support to all Balkan countries. In addition, the Minister for Foreign Affairs has remarked that one cannot argue against Ukraine and Belarus membership in the long run (which means 10 to 20 years from now): "The process [of enlargement] has not come to an end". Russia, however, is not an option according to Per Stig Møller who stated that "The EU shouldn't stretch all the way to Vladivostok, sharing borders with China. After all, the whole world can't become member of the EU."¹⁴⁶

Finland

Bulgaria and Romania

The Finnish government continues to encourage Bulgaria and Romania in their accession process and the implementation of the necessary reforms. President Tarja Halonen reaffirmed Finland's support for the countries during her visit in Bulgaria in February 2003.¹⁴⁷ The government has, however, voiced its concern with the slow pace of negotiations during

missie voor de Buitenlandse betrekkingen, CRIV 50 COM 880, 12 November 2002, p. 9.

¹⁴³ Ole Bang Nielsen: "EU-udvidelse: Sidste runde med ansøgerne", Danish daily *Berlingske Tidende*, 21 december 2002, Sektion 1, p. 7.

¹⁴⁴ Jens Thomsen: "Fogh: Mere EU-støtte til Rumænien og Bulgarien", *Ritzaus Bureau*, 6 December 2002.

¹⁴⁵ Clare MacCarthy: "War in Iraq: Denmark Warns on Turkey Troops", *Financial Times*, 2 April 2003.

¹⁴⁶ Fakta: Verden ifølge Per Stig Møller", *Berlingske Tidende*, Sektion 2, p. 1.

¹⁴⁷ *Helsingin Sanomat* 26 February 2003.

the first half of 2003. In order to make sure that the ambitious timetable set by the two countries for the conclusion of their negotiations is met, negotiations should in Finland's view proceed at a more vigorous pace. Foreign minister Erkki Tuomioja has reminded the two countries that the same criteria and process as previously also apply in the cases of Bulgaria and Romania.¹⁴⁸

Turkey

The membership of Turkey has stirred some discussion also in Finland. Prior to the Copenhagen European Council in December, the issue of whether Turkey should be given a definite date for the beginning of accession negotiations was debated. Foreign minister Erkki Tuomioja was sceptical about the feasibility of giving an exact date in Copenhagen. Instead he correctly anticipated some "creative formulations" emerging from the meeting, where Turkey would be offered a date when the issue of giving the exact date would be discussed.¹⁴⁹

Turkey's initial cool reception to the EU's offer in Copenhagen was received with some disappointment also in Finland. President Halonen stated already in Copenhagen, that the EU's decision gave Turkey a genuine opportunity for membership and that deeper integration was feasible, if Turkey was willing to grasp the opportunity. Also prime minister Lipponen concurred by saying that since the decisions taken by the Helsinki European Council in December 1999, it had been clear that "within a certain time span" Turkey could become a full EU member.¹⁵⁰

Other probable candidates

What comes to other possible EU candidates, the official Finnish line is that membership should be open to all European countries that meet the criteria and that share common European values. The debate on the limits of Europe is yet to start in earnest in Finland. Finland acknowledges that the Stabilisation and Association Agreements between the Union and the countries of the Western Balkans

provide a membership perspective to those countries once they fulfil the Copenhagen criteria. Finland supports this process.

France

Bulgaria and Romania

France supports the perspective of the accession in 2007 of Bulgaria and Romania, as well as the decision of the Copenhagen summit to increase significantly (40 per cent) the amount of pre-accession aid devoted to these two countries. Following a French proposal, the European Council decided that these aids would target more particularly two areas: justice and home affairs as well as border control.¹⁵¹ In January 2003, the French home secretary and his Bulgarian counterpart signed a protocol on cooperation in justice and home affairs. France will be providing help to fight against illegal immigration and the trade of women.

Turkey

The French official position on Turkey is that it is entitled to become a member, but that the approval of its application is conditional upon its progress towards the Copenhagen criteria.¹⁵² Yet, the debate on Turkish membership has aroused considerable interest and passion in France. Just before the Copenhagen summit, former French president and chairman of the Convention on the future of Europe, Valéry Giscard d'Estaing, stated that for him Turkey should not become part of the EU. On the other hand, Michel Rocard, former prime minister and member of the European parliament, took position in favour of the accession of Turkey, arguing that pacifying and modernising Turkey through membership in the EU is the best pos-

¹⁴⁸ A speech in Tampere, 25 January 2003.

¹⁴⁹ *Helsingin Sanomat*, 10 December 2002.

¹⁵⁰ *Helsingin Sanomat*, 14 December 2002.

¹⁵¹ For Bulgaria, see the statement of the French Ministry of Foreign Affairs following a visit in Paris of the Bulgarian Prime Minister (<http://www.diplomatie.fr/actu/article.asp?ART=29443>).

¹⁵² This position was repeated by Dominique de Villepin during his visit to Turkey on 22 April 2003.

sible solution.¹⁵³ Hubert Vedrine, French foreign minister until April 2002, took a balanced position.¹⁵⁴ According to him, as 95 per cent of the Turkish territory is outside Europe, Turkey has no particular entitlement to become part of the EU. This should have been explained to Turkey back in 1963. Yet he agrees that things have now gone too far, and that it might no longer be politically possible to refuse accession to Turkey.

In France, the proportion of people who think that Turkey is fully entitled to become member of the EU is very low. The debate is rather between those who want to exclude Turkey for cultural and religious reasons (like Giscard d'Estaing) and those who reckon that denying membership to Turkey would be diplomatically and politically too costly. Implicitly, most people fear that excluding Turkey would open the way for Islamist radicals, ruin the prospect of modernisation in Turkey, and threaten the stability of the whole area. According to an opinion poll carried out in December 2002, 56 per cent of the French are against the accession of Turkey, and 35 per cent in favour. However, there is a clear distinction between left-wing (52 per cent of approval) and right-wing voters (65 per cent against).¹⁵⁵

Other probable candidates

In November 2000, following a French proposal, the European Union launched a process of stabilisation and association with Albania, Macedonia, Bosnia-Herzegovina, Croatia and the Federal Republic of Yugoslavia. France is thus committed to the role of the Union in the Balkans. On accession, however, there has been no formal commitment from France. Today, the consensus seems to be that Balkan countries will eventually join, but that the road to accession is still very long.

Germany

Bulgaria and Romania

The German government welcomes the decisions of the Copenhagen summit as regards the concrete perspective for Romania and Bulgaria for accession in 2007. However, the government points out that a question of major interest for the European Union will be to maintain the assessment of those two countries on the basis of the Copenhagen criteria and not to make a political choice or to abandon the principle of differentiation. Concerning the Turkish claim for membership, the EU's strict insistence on a prior fulfilment of the accession criteria could not be seriously maintained if concessions were made in view of Bulgaria and Romania.¹⁵⁶ It can be assumed that the strong emphasis on the accession criteria is, furthermore, based on the fact that many fears exist concerning the expected increase of migration to Germany, in particular with a view to Romania.¹⁵⁷

A major challenge with regard to Romania is seen in the protection of its Eastern border, which should already be secured prior to 2007 in order to guarantee accession at the date stipulated. On the occasion of a bilateral meeting on 8 April 2003, Chancellor Schröder assured his counterpart Nastase of German support which should be provided in terms of knowledge and information exchange.¹⁵⁸

Turkey

The issue of a potential Turkish membership in the European Union has only recently given rise to increased domestic dispute within the German political scene and is perhaps the only aspect related to enlargement where European policy-making of the German government is

¹⁵³ L'express, 12 December 2002.

¹⁵⁴ Le Monde, 6 December 2002.

¹⁵⁵ Ipsos-Le Figaro, 10 December 2002, <http://www.ipsos.fr/CanalIpsos/poll/7703.asp>.

¹⁵⁶ Gerhard Schröder, Government declaration on the results of the Copenhagen European Council, Deutscher Bundestag, 19 December 2002, in: Bulletin der Bundesregierung, Nr. 103-1, 19 December 2002.

¹⁵⁷ Cf. Jürgen Nötzold, Migration in der sich erweiternden Europäischen Union – Annahmen und Probleme, SWP-Studie S 38/01, Berlin, November 2001.

¹⁵⁸ Cf. German chancellorship, press briefing, 8 April 2003, download: www.bundestkanzler.de.

strongly questioned by the opposition. The dividing aspects in this debate thereby run only to some extent parallel to the lines between government and opposition, admittedly, no clear consensus has until now been reached within the largest opposition party, the Christian Democrats (CDU), and even among the governing Social Democrats (SPD) there are some holding a more prudent view than might be supposed in regarding the official government's position.

The advocates of an accession of Turkey in the long run emphasise above all its strategic importance for the EU, the chance for Turkey to serve as an example for the possibility to deepen democracy in a Muslim country, and the economic interests of the European Union in general and particularly Germany, which always held a strong relationship to Turkey: 2,4 Million people of Turkish descent are currently living in Germany, due to the massive recruiting of Turkish labour in the 1960s and 1970s and the subsequent policies of family unification. Germany is, at the same time, the most important trading partner for Turkey, in terms of both exports and imports.¹⁵⁹ Thus, it is no surprise that the German Industry heavily backs Turkey on its way to European Union membership. In a position paper published on the eve of the Copenhagen European Council, the Federation of German Industry favours Turkish integration in the EU Internal Market already before a potential accession, thus respecting the Union's insistence on the prior fulfilment of the political criteria as a precondition for membership, without devaluating the latter one as a medium-term target.¹⁶⁰ In the eyes of Bündnis 90/Die Grünen¹⁶¹, the European Union is neither designed as an exclusive Christian association nor defined in a cultural manner, but a political project with the aim to secure peace and welfare in Europe;

¹⁵⁹ Cf. Die deutsch-türkischen Beziehungen in europäischer Perspektive, speech of Dr. Klaus Scharloth, State Secretary of the Foreign Office, on the occasion of the German-Turkish Co-operation Council, Berlin, 24 January 2003.

¹⁶⁰ Bundesverband der Deutschen Industrie, Fünf gute Gründe für eine klare europäische Perspektive der Türkei, position paper, 10 December 2002, download: www.bdi-online.de.

¹⁶¹ The German Green Party, which forms part of the government (hereafter referred to as 'the Greens').

thus, the "non-negotiable" political part of the Copenhagen criteria constitute the only obstacle to the beginning of concrete accession negotiations with Turkey.¹⁶² For Turkey, membership in the European Union would give an impetus in its modernisation strategy, whereas the EU would not only gain in economic and security terms, but an accession would also foster the integration of the several millions of Turkish people currently living in the EU.

Consequently, as the Copenhagen European Council widely followed the recommendations of a joint Franco-German initiative of 5 December 2002,¹⁶³ its decisions were perceived as a great success and an appreciation of the Turkish reform strategy.

Within the German opposition, Turkish membership is seen with much more scepticism. Here, the debate is being dominated by reservations such as the cultural difference between Turkey and Western Europe, the unsatisfactory human rights situation as well as the risks that would be brought about for the German economy by the free movement of Turkish labour. However, within this opposition it can be distinguished between those who definitely say no to a Turkish accession at any time, and those who pursue a more moderate strategy, in saying that Turkey first has to fulfil the political and economic criteria established by the Copenhagen European Council in 1993 and that Turkish membership cannot be any "automatic".¹⁶⁴ Both camps among the opponents

¹⁶² Bündnis 90/Die Grünen, Beschluss der 21. Ordentlichen Bundesdelegiertenkonferenz, 7-8 December 2002, download: <http://archiv.gruenepartei.de/bdk/hannover2002/beschluss/Beschluss-Europa-E02.pdf>.

¹⁶³ In a meeting on 5 December 2002, Chancellor Schröder together with the French President Chirac agreed that accession negotiations with Turkey should be taken up on 1st July 2005, provided that Turkey fulfils the Copenhagen political criteria until 2004, cf. Schröder und Chirac für Aufnahme von Beitrittsverhandlungen mit der Türkei im Jahr 2005, press briefing, 6 December 2002, source: www.bundeskanzler.de/Kanzler-Aktuell-7718.htm

¹⁶⁴ Historischer Erweiterungsgipfel verstärkt Druck auf innere Reformen der Europäischen Union, motion for a resolution by several opposition members, printed matter 15/216, German Bundestag, 18 December 2002; the oppositional Liberal Party (FDP) holds a similar view: "The door to the EU is not closed, but also not for a long time yet open", Gu i-

share the common view that in any case, deepening association between Turkey and the European Union is a necessary step, but shall, as far as possible, been realised below the membership level. In a motion of the German conservatives to the German Parliament shortly before the Copenhagen summit, the European Council was asked to charge the Commission with the elaboration of alternative possibilities how to further associate Turkey beyond membership.¹⁶⁵ Consequently, after Copenhagen the government has harshly been criticised for undermining pressure on Turkey as exercised by the Danish presidency at the eve of the summit. In the eyes of the opposition, this merely was a tactical manoeuvre and a “compensation deal” with a view to the differences about a possible military engagement of the United States in Iraq.¹⁶⁶

Only recently, some confusion about the German position vis-à-vis Turkey occurred following a statement by the Danish foreign minister Per Stig Møller, who cited his German counterpart Joschka Fischer with saying that “Turkey will never join the EU”.¹⁶⁷ In the German media, this did not produce much attention, as the German Foreign Office immediately disclaimed these words. However, it can be perceived as an indication of the fact, that – behind the scenes – the Turkish question is not such taken for granted as can be assumed at first glance if one follows governmental official statements. Rather, some hidden reservations regarding Turkish accession concern the question if a European Union with a member Turkey could really maintain its capacity to act, as Turkey would probably be the most populous EU member state and thus could upset the political and institutional balance within the European Union, not to speak of financial implications.

Guido Westerwelle, Draußen vor der Tür: die Türkei, in: Die Welt, 13 March 2003.

¹⁶⁵ Cf. Für ein glaubwürdiges Angebot der EU an die Türkei, motion for a resolution, CDU/CSU parliamentary group, German Bundestag, 4 December 2002.

¹⁶⁶ Detlev Lücke, Große Perspektiven für die Zukunft. Bundestag debattierte über die Erweiterung der Europäischen Union, in: Das Parlament, No. 51-52/2002, 23 December 2002.

¹⁶⁷ German minister – „never“ to Turkey-EU membership, EUobserver, 14 April 2002, download: <http://www.euobserver.com/index.phtml?aid=10922>.

Furthermore, as has already been indicated at the beginning of this chapter, the overall favourable attitude of the smaller coalition partner, the Greens, does not come along with a comparably homogenous view within the Social Democratic party. It seems somehow that the SPD has rather discovered the Turkish question as the only enlargement-related issue where a clear reorientation vis-à-vis the preceding Kohl government has been possible, thus following a rather pragmatic approach. In more concrete terms, the decision of the 1999 Helsinki European Council to grant to Turkey the status of an accession candidate has widely been justified by the government as correcting the “failure of Luxemburg”.¹⁶⁸

Overall, it is thus difficult to predict the future development of the German position. In the past, Germany under the red-green government to a large extent conformed to the Commission’s viewpoint with regard to Turkey, which might be connected to the strong links that still exist between the German political elite and enlargement Commissioner Verheugen. To the extent an increasing reservation on the part of the Commission vis-à-vis the Turkish claim for membership can be observed¹⁶⁹ (following Turkey’s inability to positively influence a solution for the Cyprus question as well as its role in the light of the Iraq crisis), existing German reservations towards this topic might get the upper hand in a medium term. This is all the more worth mentioning as the majority of Germans oppose Turkish accession.

Other probable candidates

As regards the countries of the Western Balkans, the basic position of Germany has already been defined in July 2001 by Foreign Minister Fischer.¹⁷⁰ In a government declaration, he pointed out that the all-dominant lesson one can learn from four tremendous wars

¹⁶⁸ Gerhard Schröder, Governmental declaration by the Chancellor on the results of the Helsinki European Council, German Bundestag, 16 December 1999, in: Deutscher Bundestag, Plenarprotokoll 14/79.

¹⁶⁹ Cf. e.g. Verheugen careful about Turkish EU accession, *EU Observer*, 29 April 2003.

¹⁷⁰ Cf. Aktuelle Entwicklungen in Südosteuropa und Lage in Mazedonien, government declaration by the Federal Minister for Foreign Affairs, Joschka Fischer, Berlin, 6 July 2001.

in South East Europe is that the future of the Balkans is of crucial importance for European security and thus for European integration as a whole. Accordingly, the implication must be that the only way to guarantee stability and security in Europe is to give the Balkans a clear European perspective.

Overall, the German position can be summarised as follows: on the one hand, long-term democracy and stability in the Balkans can only be guaranteed if an integrative policy is pursued for the region as a whole, but that, on the other hand, different strategies are necessary for each individual country in order to cope with the respective challenges. Thus, the chairman of the United Nations subcommittee of the German Bundestag, Christoph Zöpel, pointed out during his visit to Tirana in April 2003 that the European Union's basic principle to focus on institution-building rather than on creating infrastructure would fail in Albania.¹⁷¹

With a view to Croatia, the German government welcomes its application for EU membership of 21 February 2003. According to the spokesman for European affairs of the SPD parliamentary group, Günter Gloser, Croatia belongs to Europe in historic, cultural, political and economic terms and thus will be fully supported by the German government on its way to accession.¹⁷²

Concerning Serbia and Montenegro, membership in the European Union is seen as a medium-term target. A first step shall be the rapid conclusion of a Stabilisation and Association Agreement (SAA).¹⁷³ With regard to Macedonia, a similar but more reserved approach can be stated; here, the primary object is rapprochement to the European structures, however, with a membership perspective if politi-

cal and economic stabilisation can successfully be realised.¹⁷⁴

Overall, it is widely acknowledged that "European Integration is the light on the horizon for all the countries in this region. Without this perspective, there would be much less incentive to engage in the necessary but unpopular reforms, which are crucial for political stabilisation, sustainable economic growth and a secure environment."¹⁷⁵

Greece

Bulgaria and Romania

The Greek position is strongly in favor of continuing accession negotiations including a tentative deadline in 2007 with Bulgaria and Romania. As was evident in the Copenhagen (2002) Summit, but also explicitly stated in the Athens April 16-17 Summit, Greece considers that EU enlargement to the Balkans is a major element for regional stability. In fact as stated explicitly both by political figures (MFA G. Papandreou and alternate MFA T. Giannitsis) and by academics in the TEPSA/EKEME Athens Presidency Conference, facilitating a "Balkan enlargement" is nowadays a constituent part of Greek foreign policy, whereby EU participation is translated to a regional stabilization role.

Turkey

The issue of the Turkish accession candidature is of extreme importance to Greece. It should be approached not only in the context of the Copenhagen (2002) Summit resolutions, but also against the backdrop of the earlier, Helsinki Summit compromise. The link estab-

¹⁷¹ Cf. Christoph Zöpel zu politischen Gesprächen in Albanien, press briefing, SPD parliamentary group, 23 April 2003.

¹⁷² Statement by the spokesman for European affairs of the SPD parliamentary group, Günter Gloser, on the occasion of Croatia's application for EU membership, SPD parliamentary group, press briefing, 21 February 2003.

¹⁷³ Statement by the spokesman for foreign affairs of the SPD parliamentary group, Gert Weiskirchen, following the proclamation of the Union of Serbia and Montenegro, press briefing, SPD parliamentary group, 5 February 2003.

¹⁷⁴ Cf. the website of the German Foreign Office, http://www.auswaertiges-amt.de/www/de/aussenpolitik/regionalkonzepte/westlicher_balkan/info_mazedonien.html.

¹⁷⁵ Björn Kühne, Post-Conflict Reconstruction in Southern-Eastern Europe. The Stability Pact for SEE as an instrument of Crisis Prevention, in: Reconstructing Post-Conflict Societies and the German Involvement (German Foreign Policy in Dialogue, Newsletter, issue 10), download: www.deutsche-aussenpolitik.de, pp.16-20.

lished between (a) the European candidature of Turkey, (b) the fulfillment of the Cyprus accession and (c) the in-depth overhaul Greek-Turkish relations is a link that still holds, as do the “Copenhagen criteria”, both political and economic. This has led to successive rapprochement efforts and periods of reticence between Athens and Ankara, with the future of (UN- sponsored) efforts at a resolution of the Cyprus issue and the ambivalent stance of the AKParti/Erdogan government in Ankara leading to further uncertainties. After the Athens April 16th–17th Summit, where Turkey has deliberately downplayed its participation so as to mark a negative point as to the validity of the Cyprus accession, a Greek position emerged of was continuing support to the candidature of Turkey but along with the insistence that Copenhagen/Helsinki criteria should be construed in a strict way.

This position has been voiced often by MFA George Papandreou and it benefits of general support; be it noted that it is shared also by the main opposition party Nea Dimokratia which has e.g. sponsored the membership of AKParti to the EPP.

Other probable candidates

It should be noted that the concept of Balkan enlargement is understood to cover also the Western Balkans. The perspective of EU-membership for Croatia is seen in that context – and Croatian diplomacy makes it a point in raising the issue in Athens.¹⁷⁶ But the Greek strategy also involves – or would like to involve – countries to the South, such as Albania, the FYROM and (last but by no means least) Serbia-Montenegro.

Ireland

Bulgaria and Romania

Regarding Bulgaria and Romania, there is an awareness that a great deal of work still needs to be done in advance of accession. However, in view of the experience we have had with the

current accession states, 2007 does not seem an unrealistic date. The attitude could be described as a wait and see attitude.

Turkey

There is a similar attitude towards Turkey’s chances but with an element of doubt about Turkey’s essential readiness in the same time frame as Bulgaria and Romania (Humanitarian and Structural issues are just two of the issues yet to be resolved).

Other probable candidates

There is an understanding for Croatia’s decision to apply. The Institute of European Affairs has received parliamentary delegations from Croatia and was impressed by their informed positions regarding the requirements for membership. There are already considerable economic relations between Croatia and Ireland, particularly in the tourism field, which contribute to the understanding of Croatia’s vocation for EU membership. The Croatian application opens the perspective on future accession of the Balkan region.

Italy

Bulgaria and Romania

Italy shares and supports the prospects for completion of negotiations with Bulgaria and Romania by 2004 in view of their accession in 2007. For Italy, the entry of these countries is of particular importance because it would counterbalance Europe’s northeast expansion, but also because Italy considers the Balkans an area of national interest and feels that enlargement to that area is fundamental for its stabilisation. To this end, Italy is ready to make every effort to provide technical assistance to these two countries to put them in a position to adopt the *acquis communautaire*.

Turkey

In recent years, Italy has been very actively in favour of Turkish membership and at the Copenhagen summit it proposed setting a date for

¹⁷⁶ Cf. the intervention of the Croatian Ambassador to the TEPESA/EKEME Presidency Conference.

the beginning of negotiations. Instead, the decision on whether or not to start them was postponed to 2004: this compromise solution satisfies Italy even if it is not in line with its initial proposal.

Other probable candidates

Italy supports an acceleration of the integration process for Croatia and hopes that in the final stages it will have a timetable similar to that of Bulgaria and Romania, even though this seems difficult.

Netherlands

Bulgaria and Romania

The Dutch government is actively supporting the accession of Bulgaria and Romania in 2007. At the General Affairs and External Relations Council (GAERC, December 2002) the government pleaded for maintaining the conclusions of the European Council in Brussels in which support is expressed for the ambitions of both countries to join the EU in 2007. The presidency however formulated a conditional accession date: "The Union looks forward to consolidating the results achieved so far, and following the Conclusions of the European Council in Brussels and depending on further progress in complying with the membership criteria, the objective is to welcome Bulgaria and Romania as members of the European Union in 2007".¹⁷⁷ When it turned out during the European Council in Copenhagen that the Netherlands was the only member state holding this position, the government finally agreed with the formulation as prepared at the GAERC.¹⁷⁸ Last year, the Netherlands has signed a Memorandum of Understanding with

¹⁷⁷ Letter to parliament of the Minister of Foreign Affairs (10 December 2002) 'Verslag van de Raad Algemene Zaken en Externe Betrekkingen van 9 en 10 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-02, nr. 457.

¹⁷⁸ Letter to parliament of the Minister of Foreign Affairs (16 December 2002) 'Verslag van de Europese Raad van Kopenhagen, 12-13 december 2002', Tweede Kamer, vergaderjaar 2002-2003, 21501-20, nr. 209.

both Bulgaria and Romania in which a further support of the preparation process for accession is guaranteed via the pre-accession programmes of MATRA and PSO.¹⁷⁹

Turkey

With regard to the wish expressed by the Turkish delegation at the European Council in Copenhagen to receive a date for starting the accession negotiations, the Dutch position from the beginning has been that Turkey should be treated on an equal basis with the other candidate states. In other words the political Copenhagen criteria should be fulfilled before accession negotiations will be started.¹⁸⁰

Other probable candidates

The government has stated that the application of Croatia should be dealt with according to the existing procedures under the Treaty. This procedure will not be detrimental to the government's position that Croatia's co-operation with the ICTY is insufficient. As a consequence, the EU Stabilisation and Association Agreement with Croatia has not been ratified yet by the Netherlands.¹⁸¹

Spain

Bulgaria and Romania

Spain has always very actively promoted the cause of Romanian and Bulgarian membership. During the Greek Presidency, one of the main goals of the Spanish government has been to make sure that the conclusions of the December 2002 Copenhagen European Council, which stressed the need and commitment of the EU to strengthen and impulse the accession

¹⁷⁹ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'Regeringsnotitie Verantwoord Uitbreiden' §afroning, Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2.

¹⁸⁰ Ibid.

¹⁸¹ Letter to parliament of the Minister of Foreign Affairs (11 April 2003) 'Geannoteerde agenda RAZEB van 14 april 2003', Tweede Kamer, vergaderjaar 2002-2003, 21 501-02, nr. 470, p. 4.

process of these two countries, will be translated into real actions by the Commission and the Council. Spain thus wholly supports the target date of 2007 for Romanian and Bulgarian accession to the EU. Spanish officials are worried that a delay in closing the main negotiating chapters with Romania and Bulgaria or, alternatively, a delay by the Commission in setting up the financial package of these two countries' accession, may end negatively linking the accession process with the negotiations of the 2007-2013 financial perspective. Since Spanish officials envisage a quite tough battle on the next financial perspective, they are making the uttermost to avoid any negative linkage between enlargement and the budget issue.

Turkey

Concerning Turkey, Spain has also wholeheartedly supported the strengthening and upgrading of the financial envelope of EU-Turkey pre-accession policies. Spanish officials admit that the necessary political reforms in Turkey are still to be implemented but are optimistic that the new government will eventually implement them. In any case, Spain has not changed its long-standing support for Turkey's accession to the EU. This policy, it may be recalled, is based on two principles: first, the non-discriminatory treatment of Turkey vis-à-vis other accession candidates; second, the demand to Turkey to meet the Copenhagen political, economic and administrative requirements of EU membership, including the full respect, implementation and enforcement of EU's *acquis communautaire*.

Other probable candidates

Concerning Croatia, private talks with Spanish officials show some concern about the possibility that the combination of a good domestic political and economic situation in Croatia and the support and sponsorship of some EU member states may end up granting Croatia an entry date which may overlap or even anticipate Romanian and Bulgarian membership.

Sweden

Bulgaria and Romania

Although there is much satisfaction among most Swedish politicians and representatives of organized interests that the current enlargement is taking place and involves so many countries, there is also a repeated commitment to the EU membership of Bulgaria and Romania. Foreign Minister Anna Lindh argues that the "decisions taken in Copenhagen do not mean that we are abandoning Bulgaria and Romania. On the contrary, these countries will now have a more transparent timetable for their continued efforts and they will receive even more pre-accession aid".¹⁸² This approach of the Swedish government is shared by the main political parties. Moderate Party leader Bo Lundgren recently argued that the EU must continue its efforts to expand the circle of member states.¹⁸³

Turkey

Regarding Turkey, there is again consensus among most Swedish actors that Turkey, first, does not fulfil the political criteria to be met for membership negotiations to start; second, that the reform policies of the Turkish government are encouraging and should be further supported; and third that Turkey must be allowed to start negotiations and subsequently enter the EU when it does fulfil all criteria. The statement by Bo Lundgren referred to above is hence not limited to certain countries; he has also argued in a different context that the debate about the future of Europe ought not to be limited by geography, and that the Turkish reform efforts should be encouraged.¹⁸⁴ The policy of the government is also clear in this regard, most profoundly expressed in a speech by Foreign Minister Anna Lindh: "We would also like to see Turkey joining the EU. Obviously, the political criteria must be met, the human rights situation must be improved and the Kurds' rights must be strengthened. When Valéry Giscard d'Estaing (...) says that Turkey can never become a member because Turks are

¹⁸² Speech, 2002-10-14, www.regeringen.se/annalindh.

¹⁸³ Press statement 2003-04-16, www.moderat.se.

¹⁸⁴ Speech 2003-01-27, www.moderat.se.

not Christians, those of us who are in favour of a multicultural society must make our position perfectly clear: the EU is already multicultural since there are large Muslim minorities in most of our member states. Admitting a country with a Muslim majority does not pose a threat to the EU's fundamental values.¹⁸⁵ Quite the reverse! At the same time, it may be of interest to note that Swedish public opinion differs from that of the politicians in this regard. Whereas public opinion is generally positive to enlargement, Turkey is the only country of the large group of prospective members in the Eurobarometer survey (Balkan countries included), which does not receive support from a majority of the Swedes.¹⁸⁶

United Kingdom

Bulgaria and Romania

In the opinion of the UK Government, the deal done in Copenhagen was a historic achievement, uniting the continent after decades of division. As well as welcoming 10 new members in May 2004, the European Council agreed on the shared objective of welcoming Bulgaria and Romania as members of the EU in 2007, depending on further progress in complying with the membership criteria. The UK believes that 2007 is an achievable target date for their accession.

Turkey

As for Turkey, the EU agreed to open accession negotiations "without delay", if the European Council in December 2004, on the basis of a report and recommendation from the Commission, decides that Turkey fulfils the Copenhagen political criteria.

At the Copenhagen Summit, the UK was keen to have a date set (2004) for negotiations to allow Turkey to join the EU as soon as possible, arguing forcefully that the negotiation date

of 2005, as proposed by France and Germany, was too late. This was largely seen as being a move to reward Turkey for its support for the war in Iraq. However, given that Turkish support never fully materialised, British enthusiasm for Turkish entry may have waned. Moreover, given the collapse of peace talks in Cyprus due largely to the intransigence of the Turkish Cypriot leader, Rauf Denktash, Turkey's chances of joining earlier will have been seriously affected.¹⁸⁷

A "firm date" for the start of Turkey's accession negotiations with the European Union is a matter of obligation both to previous EU decisions and to history, in the eyes of the British cabinet. A "firm date" will make the commitment more difficult to reverse, unless Turkey itself does not upset it by its failure to make political reforms. The opposition towards Turkey's entry seems to muddle: Turkey is too big to be neglected and left outside the EU, but it is also so large that it will unbalance the EU, making it a less efficient body.

But researchers agree that, if Turkey plays its cards well, it would be hard not to let Turkey into the EU. Moreover, the most disreputable reason of all for feet dragging on Turkey would be to treat it differently from other applicant states because the majority of the country's population was Muslim, argue some circles.

Other probable candidates

Croatia's application to join the EU had a good welcome in UK, but it will have to continue to make progress in order to gain wider support from the member states and the European Commission. The UK has accepted so far the Commission's judgement on this matter and is likely to continue to do so. So, it depends what the Commission will recommend in respect to Croatia's application. But, in the light of the changes at the European Commission, one can not say for sure what the new Commission will endorse when it comes into office in January 2005, since there is a slight risk that the new

¹⁸⁵ Speech, 2002-11-25, www.regeringen.se/annalindh.

¹⁸⁶ 38% support Turkish membership, 48% oppose it, see further www.europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_sweden.pdf

¹⁸⁷ Economist Intelligence Unit, Western Europe, 2003.

commissioner could change the current approach.¹⁸⁸

As *The Guardian* writes, the EU has told other countries of the former Yugoslavia, including Serbia and Montenegro as well as Albania, that they too will one day be welcome.¹⁸⁹ Britain's Europe minister, Dennis MacShane, already expressed the UK's support for Macedonia's aspiration to EU membership. However, the real problem of the Balkan candidates, from the British perspective, is how the countries of former Yugoslavia can be encouraged to democratise without bringing their current problems (ethnic groups, corruption, etc.) to the EU.

4. Which position does your country hold on the new neighbourhood policy (vis-à-vis the Ukraine, Russia, etc.) of the EU? Can one expect a special interest and input of your country?

Austria

Austria does not evidence any special input to the new neighbourhood policy. The government however declared that it favours a differentiated approach to Russia on the one hand, which is a large and significant economic and strategic partner of the EU, and Belarus, Moldova and Ukraine on the other, who are of

more marginal interest to the EU besides security-political and human rights concerns.¹⁹⁰

Belgium

Belgium shares the view with the European Commission that the European Union should work on a new and more structured policy towards Russia, Ukraine and Moldova, since these countries will be the Union's next neighbours after enlargement.

Denmark

In general, Denmark supports, in accordance with EU policy, a geographically but also issue-wise comprehensive approach covering the Mediterranean as well as the neighbouring CIS states. However, it is also clear that the Danish government wants to acquire "an adequate balance" between the countries to the south and to the east to ensure that the correct measures are taken to enhance stability to the east in regions closest to the Danish borders. The key challenge is to prevent the formation of new lines of division in Europe. This aim was also underlined in the joint proposal from the government, the Social Democrats and the Social Liberal Party to the European Convention dated 14 March 2002.¹⁹¹

The areas of co-operation in the national action plans for each of the countries of the neighbourhood policy are yet to be determined. However, core elements should – from a Danish point of view – consist of agreements on trade, development assistance given through TACIS plus economic and political reforms and measures to ensure the rule of law and human rights. Co-operation in the field of justice and home affairs would be interesting as well in order to cope with organised crime, trafficking in women and children etc. The

¹⁸⁸ Economist Intelligence Unit, Western Europe, 2003.

¹⁸⁹ Ian Black, European editor, *The Guardian*, 18 April 2003.

¹⁹⁰ Interview with an official of the Ministry for Foreign Affairs, April 2003.

¹⁹¹ http://euo.dk/folketinget/europaudvalget/euu_bilag/2002_2003/20030718/.

Danish government, furthermore, supports the principle of differentiation among the participating countries, where progress made by the individual countries in reforming economic and political institutions etc. is rewarded through the gradual expansion in scope and content of the agreements. With regard to Russia, the Danish government takes the pragmatic stand that due to Russia's economic, strategic and political importance the relationship with Russia must be given special attention.¹⁹²

There has not been much discussion about the EU's neighbourhood policy in Denmark – neither in parliament, nor by interest organisations, the media and so on. In general, however, it appears to be a priority among the parliamentary parties to avoid the creation of new divisions in Europe and especially the efforts to bring the neighbouring CIS countries closer by trade and co-operation agreement seem to be supported.

Finland

With its Northern Dimension initiative, Finland has in a sense been part of the “avant garde”, what comes to formulating a new neighbourhood policy for the Union. In the so-called Wider Europe debate Finland has stressed the importance of the new eastern neighbours Ukraine, Moldova and Belarus. In Finland's view, Russia is a strategic partner of the Union, and should remain a special case in the new neighbourhood policy. The basic stance of Finland is that the notion of differentiation should be a key element in the neighbourhood policy. It is also important to apply conditionality in relations with the new as well as the old neighbours.

In the case of the new neighbourhood policy, just as in the case of the Northern Dimension previously, Finland is taking great care not to send out the wrong signal that might be interpreted as Finland wanting to undermine the importance of the countries of the Southern Mediterranean. Therefore Finland also openly shows solidarity by supporting the so-called Barcelona process.

¹⁹² Paragraph based on interview conducted with the Danish Foreign Affairs Ministry, March 2003.

The Baltic Sea region is an area of great interest for Finland. Already in Copenhagen prime minister Lipponen stated that the enlargement will benefit Finland as it will increase stability in the region as well as increase the importance of Russia in EU's external relations.¹⁹³ Also some trade unions have drawn attention to the increased importance of the Baltic Sea region. For example according to Risto Piekka, the chairman of AKAVA – the Confederation of Unions for Academic Professionals in Finland – there is a need to develop cooperation in the region, including Russia, in order to ensure the smooth operation of labour markets in the post-enlargement situation.¹⁹⁴

When it comes to the practical modalities of the EU's neighbourhood policy, there is awareness in Finland that it will require new means of funding. In order to address the vast challenges, for example to promote economic and social development in the border regions or to develop border management, a new financing instrument, a neighbourhood instrument, could be useful. Finland is thus proposing that such an instrument could be drawn from the multitude of previously separate funding instruments. Finland has a special interest in promoting such a development, as it would also enable the beefing up of the financing of the Northern Dimension as an element of the EU's wider neighbourhood policy.¹⁹⁵

In December 2002, the Finnish Institute of International Affairs published a report on the topic.¹⁹⁶ In the report, the emergence of a new “eastern dimension” was seen as being potentially problematic for the Northern Dimension. Enlargement is likely to result in increased competition for finances in the European Un-

¹⁹³ *Helsingin Sanomat*, 14 December 2002.

¹⁹⁴ *Itälaajentuminen parantaa Itämeren alueen asemaa EU:ssa* (The eastern enlargement will improve the Baltic Sea region's position in the EU), 11 April 2003. Available at http://www.akava.fi/pages/index.asp?uutis_id=262. Downloaded 28 April 2003.

¹⁹⁵ Cf. the speech of foreign minister Erkki Tuomioja in Tampere, 25 January 2003.

¹⁹⁶ Hiski Haukkala, *Towards a Union of Dimensions: The effects of eastern enlargement on the Northern Dimension*. FIIA Report 2/2002 (Helsinki: The Finnish Institute of International Affairs). The report is available at http://www.upi-fiaa.fi/english/publications/upi_report/reports/fiaa_report22002.pdf. Downloaded 30 April 2003.

ion. Therefore, it is not evident that the Finnish hopes of the increased importance of the Northern Dimension after eastern enlargement will be realised. Instead, the process could lead to further marginalisation of the initiative, as the East's needs are equally legitimate and perhaps even more acute than the North's, and need to be taken into account by the Union. It is likely that the Northern Dimension's share of the EU's fairly modest external relations budget will shrink because of the emergence of "new dimensions" into the Union.

France

The French position on the new neighbourhood policy seems to respond to two concerns. On the one hand, foster stability and development in the neighbouring countries, but on the other, avoid raising hopes, with regard to membership in particular, that could not be fulfilled. In that spirit, Romano Prodi's proposal to create a circle of friends sharing everything except the institutions of the Union has triggered calls for clarification in France.

Last year, following talks with his Ukrainian counterpart, Dominique de Villepin stated that the objective is to "improve the association of Ukraine to the European process". The statement is full of caution.¹⁹⁷ Nevertheless, a new awareness seems to be growing. In the article quoted above, Hubert Vedrine, Foreign Minister in the Jospin government (1997-2002), takes the view that Europe should promote a new partnership agreement based on "strategic, political and economic neighbourhood" with Russia, Ukraine and the Maghreb countries. As far as the East is concerned (Ukraine, Moldova, Russia, Belarus), a recent report by the standing committee on the European Union (French National Assembly) gives a detailed and ambitious account of what could be done:¹⁹⁸ progressive integration within the internal market, trade liberalisation, better

management of migrant flows, crime prevention and control, environment protection and nuclear safety, human rights standards, etc. For the south, the report concludes that "the new neighbourhood policy towards the South cannot set too ambitious standards for countries that have not yet exploited all the possibilities of the current agreements still in their starting phase".¹⁹⁹

Germany

In the course of the endgame of negotiations with the ten accession countries, relatively little attention has been paid by German politicians to the question of new neighbourhood. German political engagement is principally focussing on Russia, which is seen as the most important partner in order to secure economic and political stability in this region. The strong relationship between the two countries is also emphasised by the importance personal friendships between German Chancellors and Russian Presidents have played within the last decade (Kohl-Jelzin; Schröder-Putin).

In view of a potential accession of the European Union's new Eastern neighbours, the German position can roughly be described in the words of Chancellor Schröder who stated in his government declaration following the Copenhagen summit that the borders of Europe were rather taught in historical and political education than in geography. That does not mean that this Europe would be borderless. However, these borders are above all defined by two conditions: first, those countries wishing to belong to Europe have to share its values as human dignity, democracy, basic rights, constitutional state and international law. And second, the European Union will have, in every individual case, to define anew and itself if its capacity to act would be maintained.²⁰⁰

Mainly this latter condition will most likely and even in the long run not be fulfilled in the

¹⁹⁷ 29 May 2002, <http://www.diplomatie.fr/actu/article.asp?ART=25389>.

¹⁹⁸ 8 April 2003, available at <http://www.assemblee-nat.fr/12/europe/index-rapinfo.asp>.

¹⁹⁹ *Ibid.*, p. 69.

²⁰⁰ Gerhard Schröder, Government declaration on the results of the Copenhagen European Council, Deutscher Bundestag, 19 December 2002, in: Bulletin der Bundesregierung, Nr. 103-1, 19 December 2002.

case of the Russian Federation. Here, two main programmatic objectives have been set by the government for the period up to 2006.²⁰¹ In the first place, an enduring security partnership shall be established between Russia on the one hand, and the European Union, NATO and the G 8 on the other hand. Furthermore, bilateral co-operation shall be strengthened within the political, economic as well as social area. Already today, bilateral co-operation between Germany and Russia is founded on two pillars, namely the annual German-Russian Government Consultations, which have since 2001 been complemented by the so-called ‘Petersburg Dialogue’. Particularly this latter is often criticised for being too less project-oriented and, at the best, a costly PR-event.²⁰² However, it is exactly the relative informality of suchlike meetings that might open an opportunity to further involve Russia in Western European (albeit national) foreign policy debates, as has shown the recent inclusion of French President Chirac in the talks at the beginning of April.²⁰³

With regard to the new Eastern neighbours of the EU, the Social Democratic Party (SPD), which forms a part of the German government coalition, calls for new contractual instruments for partnership and co-operation that do not contain – as hitherto – an explicit perspective for future accession.²⁰⁴ However, no further statements are made of what specific kind or content such instruments shall be.

Nevertheless, it can be expected that German engagement vis-à-vis the new neighbours will further develop in the future. A driving force could be the so-called “Weimar Triangle”. Within this framework, Germany will most probably support the initiation of an Eastern Dimension as proposed by Poland – if not for reasons of German national interests, then at least for political reasons, as Poland is, for

²⁰¹ See *Erneuerung – Gerechtigkeit – Nachhaltigkeit*, coalition agreement between the Sozialdemokratische Partei Deutschlands (SPD) and Bündnis 90/Die Grünen for the period 2002-2006, 16 October 2002.

²⁰² See Christian Meier, *Deutsch-Russische Beziehungen auf dem Prüfstand. Der Petersburger Dialog 2001-2003*, SWP-Studie S 10, March 2003, Berlin: Stiftung Wissenschaft und Politik.

²⁰³ See e.g. Vereint gegen den Unilateralismus, in: *Neue Zürcher Zeitung*, 14 April 2003.

²⁰⁴ Sozialdemokratische Partei Deutschlands, *EU-Osterweiterung*, download: www.spd.de.

Germany, the most important partner amongst the Central and Eastern European accession states. Here, the willingness for stronger cooperation in this field has already been demonstrated by France, Germany and Poland on the occasion of their most recent meeting on 10 May 2003, without – however – saying in detail how this could be put into effect.²⁰⁵ However, a conflict of preferences between Germany and Poland could probably hamper an effective cooperation of these two countries on this question: whereas Poland is specifically interested in directing the main focus of the EU’s Eastern Dimension to the Ukraine and Belarus, Germany can rather be expected to maintain its “Russia-first” principle.

Much more attention has in the past been paid to the question of new neighbourhood by German academics. Here, it is often stated that – with the exception of Russia – a potential future membership perspective for the concerned countries (particularly the Ukraine and Moldova) shall at least not be concluded; an Eastern Dimension of the EU has, instead, to meet the challenge of finding a balance between upholding reform incentives for the new neighbours without at the same alienating Russia.²⁰⁶

Greece

Both for reasons of geographic proximity and of economic ties (not least of which is a large body of immigrants from the Ukraine, Moldova, Georgia – and Russia proper) Greece has been constantly in favor of a more proactive “neighborhood policy” on the part of the

²⁰⁵ Cf. *Pressecommuniqué zur Zukunft der Zusammenarbeit im Rahmen des Weimarer Dreiecks*, press briefing, 9 May 2003, download: <http://www.bundesregierung.de>.

²⁰⁶ Cf. for the academic debate especially the works of the Centre for Applied Political Science (Centre für angewandte Politikwissenschaft, <http://cap.uni-muenchen.de>) and of the Munich Institute for Eastern European Studies (Osteuropainstitut München, <http://www.lrz-muenchen.de/~oeim/>). See also Catherine Guicherd, *The Enlarged EU’s Eastern Border. Integrating Ukraine, Belarus and Moldova in the European Project*, SWP-Studie S 20, June 2002, download: http://www.swp-berlin.org/pdf/ap/S20_02.pdf.

EU. The Greek Presidency has been insistent in including these countries in the Athens 16th –17th April Summit and to the meetings with UN Secretary Kofi Annan arranged to mark the EU's reading of post-Iraq international relations; a "post-St. Petersburg" side-Summit was hoped for, but President Putin finally chose not to be present.

MFA George Papandreou has repeatedly insisted on the intention of Greece – both in the role of Presidency but also in the everyday workings of the EU – to press for more a concrete content to be given to the neighborhood policy. An energy (oil-and-gas) element is also present in such schemes: Greece has been wooed by Russian energy interests.

Ireland

There is little discussion at domestic level on the issue at present, although the Irish government welcomes the wider Europe/new neighbourhood initiative as part of the EU's programme of external action. Special input however is perhaps unlikely, although there is broad agreement on the differentiated approach and the use of benchmarking to assess progress towards established objectives. This issue may also be addressed during the Irish presidency.

On 1st May 2003, the Joint Committee on European Affairs commented as follows on the new neighbourhood policy: "On 11 March 2003, the European Commission published a working paper, proposing broad guidelines for future policy towards our neighbours to the east and in the southern Mediterranean. This 'Wider Europe/New Neighbourhood' initiative aims to strengthen the EU's bilateral relations with its neighbours, including, inter alia, Ukraine, Belarus and Moldova, with the intention of developing a 'ring of friends', with which the EU can enjoy close, peaceful and co-operative relations. In return for concrete progress demonstrating shared values and the effective implementation of political, institutional reforms, the new neighbours could potentially benefit from closer economic integration with the EU.

The last 12 years have seen enormous transformations in Central and Eastern Europe; the

political and economic context is significantly different to what it was during our last Presidency in 1996. I am confident that in our Presidency next year, we will succeed in developing our relations with these countries".

More recently, in a publication entitled: "Identifying Priorities and Pursuing Goals", 2nd Edition 2003, Dept. of the Taoiseach, the government states that: "Relations with Russia will continue to develop with a new impetus as the European Union's borders move eastward with enlargement. In this context, the EU's relationship with its new neighbours, Belarus, Ukraine and Moldova will assume increased importance".

Italy

The Italian Prime Minister claims that the EU must aim at including Russia in the long term and, more in general, the European republics of the former Soviet Union. This is part of the Italian government's more general policy to establish a special relationship with Russia and corresponds to a markedly inclusive view of European enlargement. Italy has also expressed the hope that the Mediterranean countries, towards which Italy has always shown special attention, will also play an important role in the neighbourhood policy.

The Ukraine is one of the countries which Italy feels must be integrated into the EU in the long term, but unlike Russia, there are no traditions of strong bilateral relations.

Netherlands

The Netherlands is welcoming the new neighbourhood policy for the new Eastern and Southern neighbours of an enlarged EU and is pleading for a focus on the new Eastern neighbours since the Barcelona process is already facilitating the relations with Mediterranean countries. Concerning the new neighbourhood policy, the government holds the position that a better use should be made of the existing Partnership and Co-operation

Agreements with Ukraine and Moldova, which in the short run will contribute the improvement of the relationship between the EU and its newly Eastern neighbours. Regarding the relationship with Russia, the Netherlands wants to put the issue of Chechnya and human rights on the agenda of the EU-Russia Summit in St. Petersburg on 30-31 May.²⁰⁷ The Minister of Foreign Affairs has also stated recently that there is no need for new treaty relations with the new neighbours of the EU as implementation of existing treaties can still be improved. On the mid-term and long-term he is considering more intensive economic cooperation with a keen eye to the rule of law and improvement of the human rights situation in those countries.²⁰⁸

Spain

In these matters, Spanish interests tend to coincide with the general interest of the EU, though there are always some items of special concern for Spain, such as trade and competition issues, and also justice and home affairs issues.

Sweden

While the current enlargement (including Bulgaria and Romania) has been a top priority for the Social Democratic Swedish government as well as for the other political parties for a long time, there has also been a continuous focus on EU relations with a number of countries that are not part of the current enlargement process. As summarized recently by Foreign Minister Anna Lindh: "It is also important to make sure

²⁰⁷ Letter to parliament of the Minister of Foreign Affairs (11 April 2003), Geannoteerde agenda RAZEB van 14 april 2003', Tweede Kamer, vergaderjaar 2002-2003, 21 501-02, nr. 470, p. 3.

²⁰⁸ Talks between the Minister of Foreign Affairs, Minister of Defence and State Secretary of European Affairs and the parliamentary committees on European Affairs, on Foreign Affairs and on Defence. 'Verslag van een algemeen overleg' (4 April 2003), Tweede Kamer, vergaderjaar 2002-2003, 21501-02, 21501-28, nr.469.

that enlargement does not create any new dividing lines in Europe. Russia, Ukraine, Belarus and Moldova are important to the Union. It is in our interests that these countries should develop into stable democracies with a working market economy. Our relations should continue to develop on the basis of our common European values". The Moderate Party leader Bo Lundgren has argued in similar direction.²⁰⁹

Russia occupies a special place in this regard. All through the post-Cold War period there has been a Swedish stress on including Russia in Baltic Sea cooperation, be it in the regional Baltic Sea format or through the EU. For instance, in the most recent official Foreign Policy declaration of the Swedish government it is stated that Sweden aims to continue developing its relationship to Russia, and that the security on northern Europe is built through closer collaboration between the EU, Russia and NATO.²¹⁰ Hence, the Northern Dimension of the EU is deemed important by Swedish political actors, evident not least during the Swedish Presidency period, when EU-Russian relations were singled out as a top foreign policy priority, second to enlargement, and where the Northern Dimension in general, and the Kaliningrad issue in particular, were seen as central policy areas.²¹¹ In parallel, it can be noted in the Presidency context that Sweden put a certain focus on the Ukraine. All in all, this means that there is an obvious emphasis from the Swedish perspective on the new neighbourhood policy, and it is reasonable to expect continued input in this field from Sweden.

United Kingdom

Just a day after ten new members signed their EU accession treaties, the EU pledged an inclusive approach towards the rest of the continent. The idea of a "wider Europe" is to prevent the emergence of new dividing lines

²⁰⁹ Speech 2003-01-27, www.moderat.se.

²¹⁰ See 2003-02-12, www.regeringen.se/annalindh.

²¹¹ Rikard Bengtsson, "Soft Security and the Presidency", *Cooperation and Conflict*, Vol. 37, No. 2, June 2002.

across the continent once the EU's biggest enlargement comes into effect next May.

Also, the "wider Europe" policy is about avoiding raising unrealistic expectations that Ukraine, Moldova, Belarus or Russia could ever join. "All are either seen as too poor or too undemocratic. Wealthy states such as Iceland, Norway and Switzerland are also included in wider Europe, but are not the problem. The real issue is where the continent's borders end".²¹² As Heather Grabbe, Research Director at the Centre for European Reform, puts it, "the EU's member-states – including the new ones about to join – do not want the Union to keep expanding indefinitely. The Balkans and Turkey will probably join in the end. But the EU has to deploy its soft power without the membership incentive in Russia".²¹³

Although the Prime Minister, Tony Blair, has stated repeatedly the UK's concern for the countries lying just beyond the immediate borders of the European Union, there are voices indicating that UK has not yet focused on this question. If a "special status" policy were to be elaborated, it would have to be examined more seriously first. This quality of new arrangements would need to provide the EU's neighbours access to the Single market and an intense trade with the EU countries. So far, few expect a serious UK input in this region.

The EU has signed Partnership and Co-operation Agreements (PCAs) with Russia, Ukraine and Moldova.²¹⁴ These are the current basis for wide-ranging co-operation, including political dialogue, trade, legislative approximation, and human rights and good governance. The most difficult problem is with Russia, angling for a special relationship with the EU, like the one it already has with NATO.

In June of this year, President Vladimir Putin will be making the first official state visit to

the United Kingdom for a Russian Head of State since the visit of tsar Nicholas I in 1844. In this light, the UK Government thinks it fair to say that the bilateral relationship between the Russian Federation and the United Kingdom has never been better. That is reflected in many ways in terms of trade, culture, educational links and political positions.²¹⁵ The forthcoming visit to Great Britain by President Putin will become another serious step forward in developing Russian-British relations, but also gaining UK's support in building a new Russia-EU relationship.

5. Which problems need to be addressed after the big bang enlargement? Please refer to:

- **Reform of policies (CAP, regional policy)**
- **Reform of own resources system**
- **Political system of the EU**

Austria

Reform of policies

Almost all political parties and pressure groups in Austria consider a substantial reform of the CAP necessary. Most consider that Austria would benefit from reforms along the lines put forward by Austrian agricultural commissioner Franz Fischler in the mid-term review pre-

²¹² Ian Black, European editor, The Guardian, 18 April 2003.

²¹³ Heather Grabbe, The Athens summit: enlargement is a success of European soft power, Centre for European Reform, 16 April 2003, http://www.cer.org.uk/articles/grabbe_april03.html.

²¹⁴ The PCAs with Russia, Ukraine and Moldova entered into force on 1st December 1997, 1st March 1998 and 1st July 1999 respectively; cf. http://www.europa.eu.int/comm/external_relations/ceeca/pca/index.htm.

²¹⁵ Cf. <http://www.fco.gov.uk>.

sented in July 2002,²¹⁶ but which was subsequently largely quashed by a gentleman's agreement between France and Germany in autumn of last year. The Green Party in particular emphasises the need for substantial reform in the direction of sustainable agricultural policies.²¹⁷ The Federal Economic Chamber on the other hand, highlights the large costs of continuing with the CAP in its present form, and points out that ongoing negotiations in the build-up to the Doha summit of the World Trade Organisation will also necessitate change.²¹⁸

Reform of own resources system

The government considers the framework enshrined in the Agenda 2000 and agreed at the Berlin Council "sufficient to cover the costs of the Union's enlargement to 25 members until 2006".²¹⁹ Unless there are far-reaching reforms to political structures before then, it is expected that the Austrian (and Finnish) presidency in 2006 will oversee key negotiations on future agreements for financing the Union.

Political system of the EU

Austrian critique of the Convention and its suggestions for reform of the EU political system have been mentioned above. It is probably fair to say that – as reported in *Enlargement Watch* No. 5/2002 – there is no wide-ranging public debate on the workings and plans of the Convention.²²⁰ This might change if the dissent already obviously present in the body leads to a revolt against the presidency of Giscard d'Estaing, which would arguably lead to far greater media coverage.

²¹⁶ *Enlargement/Agenda 2000 Watch* No. 5/2002, p. 10ff.

²¹⁷ Interview with a senior Grünen official, April 2003.

²¹⁸ Interview with a senior WKÖ official, April 2003.

²¹⁹ Interview with an official of the Ministry for Foreign Affairs, April 2003.

²²⁰ *Enlargement/Agenda 2000 Watch* No. 5/2002, p. 62.

Belgium

Reform of policies

Though the Brussels summit of 24-25 October 2002 had left the budget for the CAP unchanged until 2006, the discussion about the future of the CAP already engaged Belgian²²¹ farmers and politicians, especially after Commissioner Fischler had presented some proposals, based on the Mid-Term Review.

The Walloon agricultural federation thinks the proposed reform will entail destabilisation of the market, because of the "decoupling": unfair competition will arise between those who receive aid and those who do not. On top of that, the increase of the quota will lower prices and the farmers' revenues. This pressure on income will provide an incentive to produce more. The general outcome of this reform, according to the Walloon farmers, is an increase in the size of exploitations, a lowering of the number of farmers and a more "standardised" production.

On the Flemish side, too, there are objections to the decoupling: the aids are necessary to compensate for the low prices. The Flemish Farmers' syndicate, the Boerenbond, also believes that the timing of the Commission to present this reform was very bad: the farmers have not had the time to adapt to the previous reform and a new one is already under way. Most of all, the Boerenbond considers that the EU should wait until the negotiations within the World Trade Organisation have begun.

The Federal Minister in charge of Agriculture, Annemie Neyts, expressed the Belgian view during the meetings of the Agricultural Council. The official position is that the topping-off of aid for farms that receive more than 5000 € of direct payments per year is not acceptable. The government supports the idea to unlink aid from production, but wants the quota to be retained. The development of the second pillar (rural development) is essential, and should be financed via the first pillar, thus by further cutting down the refunds on exports. Urbanised areas should get a special place within this second pillar.

²²¹ The agricultural policy has been the competence of the regions (Flanders and Wallonia) since January 2002.

Political system

The reform of the institutional structure of the EU is essential. Without a profound reform, the Union risks to evolve to a merely intergovernmental organisation or to be entangled in its own process of decision-making. The Belgian government is an ardent advocate of the community method. For a detailed overview of the vision of the Belgian government on the institutional future of Europe, I would like to refer to the Belgian contribution to the Convention Watch.²²² The official point of view of the Belgian government can be found in the Benelux Memorandum of 4 December 2002, entitled "A balanced institutional framework for an enlarged, more effective and more transparent union".²²³ In a speech on the "Colloquium on Models of Co-operation within an enlarged European Union" on 28 January 2003, Belgian Prime Minister Guy Verhofstadt commented on the Belgian viewpoint: "The Benelux proposed that the Commission President would chair the General Affairs Council and the new European Minister of Foreign Affairs, with his double-hat, would chair the External Affairs Council. As far as the other councils are concerned, including the European Council, the Benelux stuck with maintaining of the current rotation. But we made it clear that the Benelux will never accept a chairman that is chosen from outside the Council. At present, however, the situation has changed. Germany has joined the ABC-group. And in this situation we have to be prepared to go further. Four out of the five larger member states want to abandon the rotation system. Several medium and smaller member states agree with that. Consequently it will become impossible to maintain the status quo. Anyway, I am convinced that the rotating presidency is not tenable in a Union with 25 member states. We should go further in the direction of a combination of elected and institutional presidencies. Besides, we should be prepared to consider the election of a chairman that is chosen in its own council and who keeps its own national mandate. In this system

²²² Cf. <http://eucon.europa2004.it/Watch.htm>

²²³

<http://register.consilium.eu.int/pdf/en/02/cv00/00457en2.pdf>.

we are talking about someone who chairs a Council, not about a President."²²⁴

Denmark

Reform of policies

The Danish government intends to work toward reform of both the CAP and the structural funds in order to stay more or less within the current overall ceiling of the budget. Denmark most likely will oppose any new policies aimed at enhancing the economic solidarity in the Union. However, the Danish government might favour reforms that shift EU funds from current member states to new members.

Reform of own resources system

The size and revenue-side of the budget should also in the future be mostly decided by member states in unanimity. The Prime Minister's suggestion is to consolidate this procedure by including it into the new Constitutional Treaty.²²⁵ As regards proposals of establishing EU taxes, all Danish political parties are currently against this. As concerns the actual distribution of payments to the EU, the government wants to make these "more fair", basing them on GDP per capita and doing away with special treatments such as the UK rebate. Such reforms, however, certainly depend on which reforms are carried out on the expenditure side.

Political system of the EU

According to most political parties, think tanks etc. the institutions are in dire need of reforms. As regards the Danish position, there is a remarkable consensus here, demonstrated by the

²²⁴ Guy Verhofstadt, Toespraak van Eerste Minister Guy Verhofstadt voor het Colloquium on Models of Co-operation within an enlarged European Union, Brussels, 28 January 2003, own translation, http://premier.fgov.be/topics/speeches/n_speech135.html.

²²⁵ Prime Minister Anders Fogh Rasmussen, "Dansk Europapolitik efter formandskabet", (Danish European Policy after the Presidency), Institute for International Studies, Christiansborg, 15 January 2003.

fact that all pro-EU parties have put forward a common position paper for the Convention.²²⁶ This is due to the fact that a referendum is foreseen for political reasons on the new Constitutional Treaty (regardless of what is demanded by the Danish Constitution) as well as on the Danish opt-outs on defence, justice and home affairs and the Euro sometime during 2004-2005. The parties are thus already now positioning themselves in the – in Denmark familiar – “yes-no camps”. Explanation for the content of the Danish position also lies in the traditionally EU-sceptic Danish public and in the referendum experience. It can be said to be found – despite continuous claims about wishing to maintain the current institutional balance – within the intergovernmental/small state “camp”. One example is the support of Denmark (the only other supporter among small countries so far is Sweden) for a European Council president, though provided that such a post will rotate between big, medium and small states. Another example is the draft paper by 16 smaller countries to the Convention from the beginning of April 2003 stating that each member state should retain “their” commissioner – also in an EU of 27 members.

Public opinion polls conducted in recent years point to the need for the strengthening of democracy. In the Danish debate this has translated into a need for more transparency in the EU. A reform of the political system of the EU thus entails open meetings in the Council.²²⁷

Finland

Reform of policies

There is awareness in Finland that the country will become an even bigger net-contributor to the EU budget after enlargement. Finland also acknowledges the fact that some of the countries that are net-contributors are willing to seek drastic revisions to the CAP as well as to the structural and cohesion policies. These two

²²⁶ See joint proposal “Ét Europa - mere effektivt, rummeligt og demokratisk.” (One Europe – more efficient, capacious and democratic“, <http://www.eu-konvent.dk/konventdokumenter/tale/dkeuropa/>.

²²⁷ Ibid., p.2.

factors combined will result in Finland losing some of the funds she currently receives from the Union. Therefore, it remains of great interest for the Finnish government to ensure that also in the future the sparsely populated areas in Eastern and Northern parts of the country will receive EU funds.²²⁸

In terms of acceding countries, the difficult question is the capacity both to absorb as well as administer the available EU funds. This might result in problems, as the new members’ capacity to use the funds might not match their political expectations. The real challenge will be to find a balanced deal that meets the expectations and development needs in both new and old member states.

The three biggest trade unions in Finland – SAK (Central Organization of Finnish Trade Unions), STTK (The Finnish Confederation of Salaried Employees) and AKAVA (the Confederation of Unions for Academic Professionals in Finland) – issued a joint statement on structural policies in January 2003. According to the signatories, the EU structural policies should be geared towards achieving full employment in Europe. This could be achieved by investing more in human capital both in the information technology as well as in the more traditional sectors of economy. Although it is evident that the new members will receive a large share of the EU funds, the stagnating regions in the older member states should not be forgotten, either.²²⁹

When it comes to the Common Agricultural Policy, the government refers to the fact that according to the conclusions of the 1997 Luxembourg, the 1999 Berlin and the 2002 Brussels European Councils, multifunctional agriculture will be maintained in all areas of Europe. Thus, the key issue during the negotiations of the next reform of the CAP will be how to safeguard the needs of the producers living in the disadvantaged regions of the

²²⁸ Jan Store, „Ulkoministeriön arvio liittymisneuvotteluista“ (The foreign ministry’s assessment of the accession negotiations), *Kaupapolitiikka* 1/2003.

²²⁹ *Keskustelunavaus palkansaajien rakennerahastolinjauksiksi*, 24 January 2003. Available only in Finnish at http://www.akava.fi/upload/aluepolitiikka/PSKJ_rakennerahastolinjaukset.PDF. Downloaded 28 April 2003.

European Union. The question is of special importance under conditions like in Finland, where market prices do not always cover variable costs.

The Central Union of Agricultural Producers and Forest Owners (MTK) has been voicing its concern over the Commission's initial proposals for CAP reform. Especially the idea floated about separating the actual amounts produced from the subsidies received has been a cause for concern as it would for all means and purposes cement the currently skewed procedure of supporting the most beneficial areas of Europe.²³⁰ More recently, however, MTK has noted with some relief that the Commission seems to be changing its stance in the issue.²³¹

Political system of the EU

There is some debate in Finland about the nature of the political system in the post-enlargement EU. The work of the Convention and the events surrounding the war in Iraq have heightened a sense of a potential rift within the Union. However, and according to State Secretary Antti Satuli from the Finnish Foreign Ministry, a lot will depend on the member states themselves. So far there has not been any serious divisions between the large and the small countries and this is not automatically to be expected in the future either. What comes to Finland's ability to secure her influence that will equally depend on her own choices. With active engagement and fine tuned bureaucratic machinery Finland can continue to hold sway even in an enlarged Union, Satuli contends.²³²

In November 2002, prime minister Paavo Lipponen addressed the Finnish Parliament about the enlargement and the work of the Convention. According to him, there are four criteria according to which the future political system and the work of the Convention can be meas-

ured: the Union must become more effective and transparent; the institutions must be streamlined and the treaty structure simplified; the Union must be based on equality of all member states, citizens as well as corporations throughout the EU; and the Union must be able to bear an increasing burden of global issues through its common foreign, security and commercial policies.²³³

France

Reform of policies

France's current European policy is dominated by one main concern: to preserve the CAP as it exists. Dominique de Villepin made it very clear on 5 December 2002, in his first speech as member of the Convention on the future of Europe. He stated that France is open to innovation with the exception of the Common Agricultural policy and its corollary, compulsory expenditure. Any move that might endanger the CAP will be opposed by France. Gerhard Schröder certainly understood this: he knew that in order to have France accept a deal on enlargement he had to sacrifice the prospect of a reform of the CAP, at least in the next few years.

The CAP now has a budget until 2013, but expenditure will be kept at the level of 2006 after this date. This means that the CAP of the enlarged European Union still has to be framed. There will have to be far-reaching reforms. In France, there is unanimous rejection among farmers' organisations of the Commission's proposal to 'decouple' the level of production and the level of subsidies. Yet, as mentioned in section 1, there is growing awareness among them that reform is necessary.

In an official statement on the enlargement process,²³⁴ the Socialist Party called for a deep reform of the CAP, in order to secure decent

²³⁰ *EU:n maatalouspolitiikan uudistus voi olla myös mahdollisuus*, press release, 14 April 2003. Available at <http://www.mtk.fi/tiedote.asp?path=2918;50;16738;18743>. Downloaded 28 April 2003.

²³¹ *EU:n maatalousuudistus järkevöityy*. A press release, 12 April 2003. Available at <http://www.mtk.fi/tiedote.asp?path=2918;50;16738;18782>. Downloaded 28 April 2003.

²³² *Kaleva*, 15 January 2003.

²³³ Paavo Lipponen, addressing the Finnish Parliament, 13 November 2002. <http://www.valtioneuvostonkanslia.fi/vn/liston/vnk.lsp?r=28139&k=fi&old=953&rapo=27142>. Downloaded 28 April 2003.

²³⁴ October 2002. Text available on <http://www.parti-socialiste.fr>.

income for farmers, find a fairer way to allot subsidies, protect the environment, and show more solidarity with developing countries. However, this text says nothing about the level of expenditure. Indeed, it is doubtful that a socialist government would accept the responsibility of cutting the subsidies. In France, the CAP is widely regarded as necessary to preserve France's rural identity, which has deep historical roots. As manifested by the political influence of farmers on French European policy, most French people, even unconsciously, remain attached to rural France. Herve Gaymard, the French minister for agriculture, summed up this particular dimension of agricultural matters when he insisted that they are "not only complex technical issues, but also ideological issues".²³⁵

In view of these necessary changes, France wants to see the "British rebate" renegotiated. Jacques Chirac described it as "shocking" during the Brussels summit.

Reform of own resources system

In a recent contribution to the European Convention, Dominique de Villepin outlined the current French position on the reform of the own resources system.²³⁶ According to this text, the reform should follow two objectives: assert the role of national parliaments in respect of the "no taxation without consent" principle, and involve the European Parliament in the decisions about the resources. In short, the Council would decide about the ceiling of the resources after consultation of the European Parliament, and the decision would then have to be ratified by national parliaments. Villepin accepts the idea of a European tax, provided that it is financially "neutral". Such a tax would take the place of the direct contributions by the member states, and not come on top of them.

The socialist party seems open to the prospect of a "European tax". In their contribution to the Convention on the future of Europe, in the name of the French socialist delegation to the European parliament, Pervenche Beres and

²³⁵ Quoted in Bulletin Quotidien Europe, n°8417, 11 March 2003, p. 4.

²³⁶ 3 April 2003, <http://register.consilium.eu.int/pdf/en/03/cv00/cv00668en03.pdf>.

Olivier Duhamel explicitly call for the creation of such a tax but with no further details.²³⁷

Political system of the EU

Admittedly, French foreign affairs officials remain deeply attached to an intergovernmental conception of the Union.²³⁸ The current French government follows this traditional position. The French proposal of a double presidency can probably be interpreted in that perspective. A single president is seen, in Paris, as a far too federalist option. There is probably a kind of cynicism in that proposal: the two presidents – the president of the Commission and the president of the Council – might become competitors, which will inevitably weaken the president of the Commission, and make it necessary for the president of the Council to rely heavily on its members to secure his legitimacy, thus reinforcing the intergovernmental aspect of the Union.

However, the proposal to create a double presidency has been criticised in France. Pierre Lequillier, delegate of the French National Assembly to the Convention, argued for a single presidency. A think-tank on Europe (CAFECs²³⁹) issued a warning on that topic. Instead of simplifying the institutions, the new system would make them more complex, and it would threaten the "Community method", giving too much weight to intergovernmental processes, at the expense not only of the role of the Commission but also of the Parliament.²⁴⁰ The French are also generally keen on seeing the national parliaments play a more important role in European integration. The proposal of a European congress, made by Valery Giscard d'Estaing, has been rather well received in France.

Enlargement is widely seen among French political elites as a further challenge to French

²³⁷ 12 November 2002,

<http://register.consilium.eu.int/pdf/fr/02/cv00/00398f2.pdf>.

²³⁸ See Philippe Moreau Defarges, "La France et l'Europe, l'inevitable debat", *Politique Etrangere*, Winter 2002-2003, Issue 4, N°67, pp. 951-967.

²³⁹ « Carrefour pour une Europe civile et sociale », chaired by Jean-Baptiste de Foucauld et Frederic Pascal.

²⁴⁰ The text is available at <http://www.fonda.asso.fr/PDF/cafecs4contrib.pdf>.

influence in the Union. Ranging from the role of the French language within the European institutions to the new position of Germany – now at the centre of Europe – France sees that it is losing its grip on the Union. In that respect, the other main issue today is that of the political union. A number of well-known French Europhiles have expressed doubts about its possibility with 25 members. Jean-Louis Bourlanges said openly that we should start to think about “two Europes”: a small Europe, with political ambitions, and a larger Europe mainly based on economic cooperation.²⁴¹ Jacques Delors has been saying something similar for some time. According to him, there will have to be a “large Europe” with three objectives (peace, stability, and economic development with a high level of cohesion) and closer political links between the members willing to go ahead.

This growing awareness is probably connected to the increased emphasis put in France on the “Franco-German relationship”, which was celebrated in January, forty years after the Treaty of the Elysee. Elisabeth Guigou, former socialist minister (in charge of European affairs between 1990 and 1993), put forward the proposal to create a Franco-German avant-garde, a kind of “hard core” open to all good wills, which would be able to lead forward the Union.²⁴² Pascal Lamy, one of the two French members of the European Commission, and Günter Verheugen presented a similar proposal. According to them, France and Germany should increase their coordination on budgetary and fiscal matters, create a common army, and merge their diplomatic representations. It is fair to say, however, that these proposals have not aroused considerable interest.

²⁴¹ Bulletin Quotidien Europe, n°8046, 22 February 2003, p. 3.

²⁴² Liberation, 21 February 2003, p. 8.

Germany

Reform of policies

As concerns *structural policy*, the European Commission proposal to keep the limit for EU structural funds at 0,45 per cent of EU GDP between 2007 and 2013 has been scathed by the German government. According to a provisional position paper prepared at the end of 2002, this would mean that the overall amount of structural funds would increase from currently 270 billion € up to 350 Billion € in the next financial period.²⁴³ Similar to the Common Agricultural Policy, Germany as the largest net payer intends to curb structural funds, which means that the current upper limit of 270 Billion € shall be maintained. Structural policy has to take into account financial constraints and shall thus, in the future, be concentrated on regions within the new member states as well as on objective-1-regions.²⁴⁴

With regard to the Common Agricultural Policy (CAP), it seems one more time that Germany is somehow torn between its own interests of reform on the one hand, and the awareness that any EU-wide compromise largely depends on a prior consensus with France as the most important defender of the status quo. In a rather pragmatic approach, Germany seems to continuously cut down on its objects to radically reform the CAP, as they were reported in the last issue of *Enlargement/Agenda 2000-Watch*.²⁴⁵ Still at the beginning of 2003, it could be observed that the first Franco-German compromise on the eve of the October 2002 Brussels European Council, which foresaw a stabilisation of agricultural expenses after 2006 (as demanded by Germany) and a simultaneous acceptance of Germany to renounce on a reform of the direct payments scheme before 2006, did not fundamentally change German claims for the need of an ambitious reform of the CAP. A major concern of Germany has always been the strengthening of extensive and environmentally friendly forms of production, which should be achieved by the

²⁴³ Cf. Handelsblatt, 13 January 2003.

²⁴⁴ Ibid.

²⁴⁵ Cf. *Enlargement/Agenda 2000-Watch*, No. 5/2002, pp. 29-30, download: <http://www.iep-berlin.de/publik/enlargement-watch/index.htm>

decoupling of direct payments.²⁴⁶ More general, the German position could roughly be summarised in a stronger market orientation of the CAP, a decoupling of direct payments from production and a shifting of funds to the second pillar (rural development).²⁴⁷

However, the most recent Franco-German deal, agreed in the run-up to the 11 June meeting of EU agricultural ministers, seems to more and more water down any proposals to end the link between production and subsidies.²⁴⁸ Currently, it can thus be said to be very uncertain to predict the future development of the German position with regard to CAP reform. In any case, it seems that France constitutes a major obstacle concerning the defence of some crucial German interests.

Reform of own resources system

As an important net payer, German interests with regard to EU finances are strongly dominated by the wish to reduce or at least stabilise expenses. As already described, this is true for the Common Agricultural Policy, but it is true also for all other policy fields. Germany thus takes a strong interest in continuing budgetary discipline. The Franco-German compromise at Brussels in October 2002 has nevertheless only delayed an agreement with a view to budgetary issues. The strong emphasis on the relationship of these two countries could in this respect prove to be a long-term obstacle for Germany to take a tough stance on its budgetary interests. As Josef Janning points out, “it would be more promising for Germany to form a strategic alliance with the British government, which could, on the other hand, entail new tensions with France.”²⁴⁹

²⁴⁶ Cf. Bericht über die Tagung des Agrar- und Fischereirates, Brussels, 26 May 2003, download: http://www.verbraucherministerium.de/aktuelles/eu_ratsberichte/afr-2003-05.htm.

²⁴⁷ Cf. Bundesministerium für Verbraucherschutz, Ernährung und Landwirtschaft, Ernährungs- und Agrarpolitischer Bericht der Bundesregierung 2003, February 2003, download: <http://www.verbraucherministerium.de/landwirtschaft/eab2003/eab2003.pdf>.

²⁴⁸ Cf. France and Germany strike CAP accord, EU Observer, 11 June 2003.

²⁴⁹ Josef Janning, Germany’s European Policy Under a “Red-Green” Government. A Mid-Term Review, in: Still of Some Standing? Red-Green For-

Concerning the budgetary procedures, the German State Secretary in the Foreign Office, Hans-Martin Bury, recently during an intervention in the European Convention summed up the German position, which mainly consists of two major points. Firstly, the differentiation between obligatory and non-obligatory expenditure shall be abolished. On the revenue-side, decisions on the composition of own resources shall, second, be made by qualitative majority.²⁵⁰

Political system of the EU

Germany as a strong advocate of strengthening the principle of supranationality and a more federal organisation of the European Union, has continuously emphasised that enlargement brings about an imperative to reform the EU’s institutions and to enhance the efficacy of decision-making procedures. Without giving a detailed discussion of the evolution of the German position concerning the future of the Union,²⁵¹ two major points can be summarised, namely the *institutional balance* (which implies, from a German perspective, the strengthening of the Commission and the EP), and the question of *Qualified Majority Voting* in the Council.

On 16 January 2003, a joint Franco-German contribution to the convention²⁵² outlined a number of major points of European institutional reform. The main proposal of this document is the election of a permanent chair of the European Council for 2½ years, in order to ensure “continuity, stability and visibility”²⁵³ in an enlarged Union. However, this was a

eign Policy at the Beginning of the Second Term (German Foreign Policy in Dialogue, Newsletter No. 9), January 2003, pp. 16-22, here: p. 21.

²⁵⁰ Statement von Hans-Martin Bury im Konvent am 30. Mai 2003 zu den Themen Ordnungspolitik, Eigenmittel und Haushaltsverfahren, download: <http://www.auswaertiges-amt.de>.

²⁵¹ For detailed overviews cf. e.g. the regular contributions dealing with the Convention in *integration* (<http://www.iep-berlin.de/publik/integration/index.htm>), especially Mathias Jopp, Saskia Matl, Perspektiven der deutsch-französischen Konventsvorschläge für die institutionelle Architektur der Europäischen Union, in: *integration*, 2/2003, pp. 99-110.

²⁵² CONV 489/03, 16. January 2003.

²⁵³ *Ibid.*, p.3.

considerable shift from earlier German positions, as the coalition agreement between the Social Democrats and the Green Party only foresaw a strengthening of the Commission and the European Parliament.²⁵⁴ It can nevertheless be stated, that, within the German debate, it is expected that a suchlike chairman of the European Council shall typify “rather Bellevue [the office of the German federal President] than Elysée”²⁵⁵ and thus cannot replace the principal object of strengthening the Commission in its capacity as guardian of the treaties, which is – due to the mere future size of the Union – without alternative.²⁵⁶ This includes a strengthening of the Commission President. The French concern with regard to a permanent Council chairmanship has ultimately been accepted in return for French compliancy with the election of the Commission president by the European Parliament. The importance of this latter one shall be increased by reinforced application of the co-decision procedure and by giving full budget rights to the EP.

Besides the strong emphasis on strengthening the supranational pillar of the Union (Commission, Parliament), a second major concern of Germany constitutes the increase of Qualified Majority Voting (QMV) in the Council. This is especially true for the field of Common Foreign and Security Policy (CFSP),²⁵⁷ where the European Union has to meet the challenge of increased responsibility as a consequence to enlargement and thus should apply QMV as a

general rule in this field.²⁵⁸ To the extent a consensus regarding this issue became more unlikely, Germany increasingly focussed on a compromise solution which foresees an expansion of exceptions to unanimity.²⁵⁹

Greece

Reform of policies

In Greece, the need for reform both to the CAP and the Structural Funds has been at the forefront of public attention for quite a long time. But although problems are expected on both fronts,²⁶⁰ this has not created negative reflexes.

CAP reform is coming once more to the centre of the political agenda, due to the fact that major Greek products – cotton, tobacco, olive oil, wine, fruit – are under pressure for reasons rather unconnected to enlargement. As election time draws nearer, the rational elements in discussion about the CAP is bound to recede; the agricultural lobby is making its force felt.

The future of Structural Funds is even more present in public opinion, due to the fact that much of Greece’s GDP growth (at 3,6 per cent for 2003, even after the negative impact of the Iraq situation, with over 4 per cent expected for 2004) is due to CSP-funded public works. In the 2003 Report of the Governor of the Bank of Greece, extensive attention is paid to how “funds equal to the finance drawn from the CSP-3 will be obtained from CSP-4”, after the new EU members have started being financed. The same theme is constantly echoed at the Press – while the administrative mechanisms of the Structural Funds and the blocking

²⁵⁴ Cf. Erneuerung – Gerechtigkeit – Nachhaltigkeit, coalition agreement between the Sozialdemokratische Partei Deutschlands (SPD) and Bündnis 90/Die Grünen for the period 2002-2006, 16 October 2002, p. 78.

²⁵⁵ Wir brauchen mehr Bellevue als Elysée – Interview mit Hans-Martin Bury, Staatsminister im Auswärtigen Amt, zur künftigen Rolle des EU Ratspräsidenten, in: Der Tagesspiegel, 26 May 2003.

²⁵⁶ Der Europäische Konvent – Ansprache von Staatssekretär Dr. Klaus Scharioth anlässlich eines Mittagessens mit EU-Botschaftern, 14 May 2003, in: Das Auswärtige Amt informiert: Außenpolitik im Monatsrückblick, Mai 2003, p. 23.

²⁵⁷ Cf. e.g. Speech of State Secretary Hans-Martin Bury at the plenary session of the European Convention, 16 May 2003.

²⁵⁸ Cf. Notfalls muss in der EU eine Gruppe vorgehen, interview with Foreign Minister Joseph Fischer, in: *Handelsblatt*, 2 April 2003.

²⁵⁹ Cf. e.g. Suggestion for amendment of Article III-196, by Mr. Joschka Fischer, Member of the Convention, internal paper provided to the Institut für Europäische Politik, to be available soon at <http://european-convention.eu.int/amendemTrait.asp?lang=EN>.

²⁶⁰ Attenuation of CAP support levels, although funding for subsidies is “secured” until 2013; striking out of Greek regions – Attica, South Aegean, Central Macedonia – from “Objective 1” financing.

of finance they have resulted in is also a permanent public issue.

Reform of own resources system

The future of the own resources system, especially so its adequacy to finance Structural Funds and the CAP has been only reluctantly touched – especially insofar the existing ceiling of 1,27 per cent of GDP is concerned. One would say that there is some sort of “timidity” even to put forward a notion federal/redistributive function of the EU Budget. Only ex-MFA Theodore Pangalos has voiced concern about a European Union which tailors its policies to pre-determined finance instead of fitting financial disbursements to the needs of policies decided after lengthy decision-making procedures.²⁶¹

Political system of the EU

Up to the Athens Summit – where Convention Chairman Valéry Giscard d’Estaing presented the early findings of Convention work – in Greece there was only superficial public debate over institutional matters. Following the experience of the Iraq impasse, there has been increasing support, both throughout the political spectrum and in public opinion, for forms of enhanced cooperation in CFSP and especially in defense matters.²⁶²

As to the institutional equilibrium, there has been an impressive shift in the Greek positions over the Presidency of the Council, whereby the (small-and-medium-countries friendly) principle of equal-participation/one-semester-for-all presidency has been abandoned, in favor of the (mainly big-country) solution of a long-term presidency, though to fit better an enlarged EU. This shift of position has been interpreted as part of PM Costas Simitis’ ambition to go after a “European role” once his present term of office is over. In less personalized terms, it can be attributed to a current of

thought present in academic circles²⁶³ close to the Government but also in the Press, according to which in such a way Greece cements its position in a “core Europe” that is under formation. Still, Greece has not stopped supporting the role of the Commission.

Ireland

Reform of policies

The government is satisfied that the agricultural arrangements for the new member states following enlargement will be funded within the budgetary limits set by the Berlin European Council meeting in March 1999 for the period to 2006. New budgetary limits for the period 2007-2013 though restrictive, provide a measure of certainty regarding the funding of the CAP until 2003. The Commission’s mid term review has implications for Ireland with respect to decoupling of direct payments, modulation and digression of direct payments and changes to the market regime for arable crops and milk. Ireland’s objective in both the mid-term review and the WTO negotiations is to preserve the benefits of the Agenda 2000 agreement and to secure the conditions under which the European model of agriculture can be maintained.

In the Irish Parliamentary (Dail) Debates of April 2003, it was reported that “Agriculture is a very sensitive issue for Ireland and one which still has to be negotiated with the applicant states. Areas such as co-decision, food safety, the environment, quotas, direct income payments, ‘modulation’, ‘degressivity’, young people and rural development are all key issues and will be difficult to negotiate. However, there are great opportunities also to be gained and the Irish agri-food industry is expected to benefit considerably from a market of over 470 million people”. With regard to regional policy, the Irish acknowledge the redirection to the candidate countries of the Structural Funds due to their lower level of development and accept that Ireland’s eligibility for assistance from the Structural Funds will be phased out

²⁶¹ E.g. in the TEPSA/EKEME Athens Presidency Conference, with ensuing discussions by Andrew Duff and Iain Begg.

²⁶² To be noted, though, that 79 per cent approval by Greek public opinion of closer cooperation in both foreign policy and defense matters is followed by a 82 per cent insistence to keep the veto mechanism intact.

²⁶³ E.g. Prof. T. Ioakimidis, alternate Govt. representative to the IGC.

because of its above-average level of prosperity.

Political system of the EU

With regard to political reform, at government level there is a view in favour of renewal rather than revolution – and an acknowledgement that reform should take account of both internal and external policy challenges. Internal reforms should be predicated on the maintenance of the institutional balance, the principles of equality, efficiency, openness and support for the community method.

The scale and diversity of this enlargement will have an impact on EU institutions, and the ‘democratic deficit’. For instance, in a Union of 25 States in 2004, if the rotating Presidency continues, each State will only hold the Presidency every 12-13 years compared with the current 7 years. Even in terms of geography (i.e. the eastward extension of the Union’s borders) and the type of states joining (i.e. vast majority of the States are small or even micro, e.g. Malta and Cyprus); the internal management of diversity, and the external projection post enlargement could be problematic.

The Nice Treaty was supposed to prepare the Union for these eventualities (e.g. re-weighting votes in the EP and the Council of Ministers). However, the enormity of the reform agenda, complemented by a desire to re-connect with the citizen and avoid the ‘closed-door’ power-brokering of an Intergovernmental Conference provided the backdrop to the establishment of the Convention on the Future of Europe. Three issues which attracted attention in Ireland are the impact of enlargement on:

The institutional balance: Small states will outnumber large States in the new Union and this has implications, in turn, for the locus of power, with large States expressing a preference for a strong European Council and small States preferring a strong Commission.

Administrative Efficiency: This covers a range of issues from the management and finance of the increased number of interpreters required in a more diverse Europe to the management and finance of the enlarged CFSP agenda.

Executive Efficiency: This focuses typically on the Presidency of the Union and how to ensure consistency in terms of external projection.

Notably, the proposal to create a full-time President of the European Council has produced an effective split in the Convention between the six large States (UK, Spain, France, Germany, Italy and Poland) and the 17 small States (though Sweden and Denmark are considering this proposal).

There is also a perception in some quarters that enlargement could increase the democratic deficit (e.g. that more issues would be dealt with at committee stage for reasons of efficiency) and thus increase the difficulty of tackling the problem (diverse strategies).

The Irish government position was expressed in its support for the paper: “Reforming the Institutions, Principles and Premises” which was submitted to the Convention on the Future of Europe and which sets out the aspirations of the smaller countries regarding the future European polity.

Italy

Reform of policies

At the Copenhagen European Council, Italy raised the question of milk quotas with regard to the agricultural policy, complaining that the criteria applied were not equal: the criteria for some countries are linked to production, while for others they are more negative and unfavourable and not connected to this parameter. This is the case of Italy. The Italian government’s request is to apply the parameters for milk quotas established for the candidate countries to all member states. Even though the conclusions of the Copenhagen European Council make a general reference to reforms in policy sectors, including agriculture, the majority in the Council decided that the matter of milk quotas, in spite of Italy’s request, should be submitted to the Commission outside of the logic of negotiations between states with specific, opposing interests. The Council also decided that other dossiers concerning the Common Agricultural Policy should be turned over to the Commission with the Italian prime minister putting the request concerning milk quotas directly to the Commission’s President Prodi.

Recalling that Italy is a net contributor to the CAP (contributing 16 per cent and receiving 11 per cent), the Minister for Agricultural Policies, Gianni Alemanno, recently underlined that a medium-term revision of the CAP should not be disadvantageous for Italy. The minister also stated that Italy is aiming for a medium-term reform of the CAP that would give more importance to agriculture in the Mediterranean, encouraging the quality productions that characterise it, with the hope of reaching a good agreement between continental nations and the bloc of Mediterranean countries that is now being formed. Following enlargement, the government feels that Italy will have to enhance its geographic and historical vocation, leading the process of bringing the two shores of the Mediterranean closer together. Close cooperation among the Mediterranean's littoral countries could increase the specific weight of quality agriculture and its multi-functional role, also in the WTO.

As for structural policies, it is known that enlargement will produce a lowering of pro capita European GDP, so that the Italian regions currently benefiting from Objective 1 European structural funds will no longer receive them. The Italian government is working out a proposal by which other parameters, such as the unemployment rate, are taken into account in determining the attribution of funds. Generally, Italy would like to keep the current structure of cohesion policy because it feels it is effective and positive.

Reform of own resources system

There is the fear that after enlargement, Italy, long a net contributor to the Union budget, will have to take on further financial burdens in return for diminishing benefits. At the 1999 Berlin European Council, it was hard to reach consensus on Union financing, and minor improvements were introduced on the initiative of, among others, Italy, which has long been the third or fourth net contributor. Many claim that the current system will be too complex for 25 members and therefore advance the idea of a European tax. Italy is among the countries that oppose the proposal, as it considers a European tax a manifestation of a super state, creating a direct link between citizens and the Commission, skipping national governments.

Italy would also like to keep unanimity in voting on fiscal issues.

Political system of the EU

The Italian government has underlined that enlargement must be coupled with a new comprehensive institutional reform to avoid the risk that the accession of ten new countries could undermine the efficiency of the European system of governance. The Italian government has in particular stressed the importance of preserving a balance between the Parliament, the Commission and the Council of Ministers, calling for a parallel strengthening of the three institutions so that they can operate more effectively. The Italian government therefore holds that reinforcement of the Council Presidency should be accompanied by a strengthening of the legislative powers of the Parliament and the executive role of the Commission.

Netherlands

Reform of policies

As stated above the Netherlands position on the need of reforming the Common Agricultural Policy has not changed. After the European Council of Copenhagen, the Prime minister has stated in Parliament that 1 milliard Euro extra money for Poland has to be perceived as willingness to reach a compromise, but that the discussion on reforming CAP will have to continue without hesitation.²⁶⁴

²⁶⁴ 'Balkenende in Tweede Kamer: "Tweedeling Europa definitief ten einde" and 'Vrees stagnatie landbouwhervormin' (18 December 2002) from: www.europaportaal.nl/news.

Reform of own resources system

In the Dutch-Swedish contribution to the Convention on the future of the budgetary system in the European Union' the following is stated regarding the own resources system: "The current distribution of institutional responsibility for determining budget revenues lends democratic legitimacy to the EU budget and should be maintained. In other words, the Council, acting unanimously, should decide on the system of own resources, which it shall recommend to the Member States for adoption in accordance with their respective constitutional requirements."²⁶⁵

Political system of the EU

With respect to the future institutional structure of the European Union after enlargement, the Netherlands together with Belgium and Luxembourg have issued a Memorandum with the title 'A balanced institutional framework for an enlarged, more effective and more transparent Union' on the 4th of December 2002.²⁶⁶ In general, the Memorandum embraces the community method. It is pleading for enhancing the existing institutional structure of the Union without creating new institutions and at the same time guaranteeing the principle of equality between member states. In concrete, the memorandum proposes the strengthening of the European Commission; improving both the legislative and executive functions of the Union; the strengthening of the political-strategic role of the European Council; reforming the Council Presidency while preserving the rotating presidency reflecting the principle of equal treatment and guaranteeing an effective EU external policy by combining the roles of High Representative for CFSP and Commissioner for External Relations in one single person ("double hatting"). Consequently, the Dutch government has turned down the Franco-German Proposal on the future institutional structure of the Union especially on the issue

²⁶⁵ *The future budgetary system of the Union*, Swedish-Dutch Contribution to the European Convention by Mrs. Lena Hjelm-Wallén and Mr. Gijs de Vries, members of the Convention, CONV 651/03; CONTRIB 289 (Brussels 28 March 2003).

²⁶⁶ *Benelux Memorandum: A balanced institutional framework for an enlarged, more effective and more transparent Union* (4 December 2002).

of a European president and giving up the rotating presidency of the Union.²⁶⁷

In general, the Netherlands is playing an active role in the Convention and considering its co-operation with the Benelux-partners of great importance in pursuing its goals. Frequently there are meetings between the Benelux countries on the level of Prime ministers, ministers, government representatives and civil servants in order to level positions and strategies. Apart from this meetings, the Benelux countries have regular contact with equally minded countries, for example Portugal, Finland, Greece, Austria and Ireland as well as candidate countries like Czech Republic, Hungary, Estonia, Latvia, Cyprus and Malta. The European Commission is also considered to be an ally since most of its positions coincide with the Benelux Memorandum.²⁶⁸ Most recently the Benelux hosted an informal meeting preceding the European Council in Athens (16 April 2003) with 18 medium-sized and smaller members states and candidate members which share similar positions on the issue of the future institutional structure and the conflicting interests with the bigger member states.²⁶⁹ On 25 April 2003, the Benelux countries have send a letter of protest to the Chairman of the Convention Giscard d'Estaing on the issue of abolishing the rotating presidency of the Union, which in their opinion does not reflect the debates on the issue within the framework of the Convention.²⁷⁰ In conclusion, it can be stated that the Netherlands, within the framework of the Benelux co-operation, is acting as a safe guarder of the community method within the European Convention on the future institutional structure of the European Union.

²⁶⁷ 'Twee voorzitters en een president voor de Europese Unie' (15 January 2003) from: www.europortaal.nl/news

²⁶⁸ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (7 maart 2003) 'Regeringsnotitie Stand van zaken in de Conventie' Tweede Kamer, vergaderjaar 2002-2003, 28473, nr. 4.

²⁶⁹ 'Nicloai protesteert tegen "machtsgreep grote landen"' (16 April 2003) from: www.europaportaal.nl/news

²⁷⁰ 'Benelux stuurt protestbrief naar Giscard' (28 April 2003) from: www.europaportaal.nl/news.

Spain

In the past sixteen years, Spain has managed to turn around a disadvantageous accession treaty, to substantially increase its access to the main common policies and to the community budget, to compete successfully in the single market, to significantly reduce the differences between its income and that of other community members, to achieve power comparable to the four largest countries, and it has also become accepted as a key country in European decision-making. During these past sixteen years, Spain has notably Europeanised itself, but has also contributed significantly to the design of a European Union that works very well for its interests and needs.

Eastern enlargement, however, will force Spain to change the main parameters of the European policy it has been following at least since 1986, when it became member of the EU. First of all, Spain's votes will be much less decisive in the Council, in the Commission and in the European Parliament, which will make it more difficult to defend its interests. Spain has become accustomed to living in a Europe that contains a Mediterranean bloc, in terms both of votes and policy preferences. After the enlargement this bloc will, in all likelihood, lean, geographically speaking, more to the East and will certainly be led by Germany. It must also be kept in mind that the ten new members will participate with full voting rights and veto power in the Intergovernmental Conference that will follow the present Convention. This will very quickly give them the ability to introduce reforms to the Treaties favourable to their interests.

Second, the richest countries in the Union have shown a firm determination to maintain, or even reduce, the current budget ceiling, established at 1,27 per cent of the EU's GDP. This inevitably means that there will be transfers of resources from Southern Europe to the East. Also, Spain's budgetary perspective is inevitably that of a net contributor to the budget, which implies, and in fact needs, a radical change in mentality, strategies and negotiating preferences. The moment will arrive when Spain must either resist this step and delay it as much as possible, or even use it to its own benefit in other policy areas. This is not an easy decision and not a very clear one: in the

enlarged Union, Spain's income will be about average, so that it will have to choose between being the poorest of the rich or the richest of the poor.

Third, a larger Union with more members will necessarily do less in order to maintain its efficiency. This implies a very significant threat that the enlarged Union may give priority to geographical areas that are of primordial interest to Spain, such as the Maghreb or Latin America. Also, maintaining decision-making efficiency in an enlarged Union requires that qualified majority voting be extended to areas traditionally subject to unanimity, which will mean a loss of control over certain policies (Latin America or the Maghreb) even if these are maintained as community policies.

In general terms, Spain has two options for assuring its interests: it can opt for strengthening intergovernmental structures and its direct power (strengthening the Council, creating directories of large countries, etc.); or else it can opt for an indirect strategy, "constitutionalising" its interests through a reform of the Treaties and, simultaneously, strengthening community institutions, principally the Commission. Both options have their disadvantages: the former, because up to now France and Germany have very efficiently resisted attempts by Spain, Great Britain and Italy to establish a parallel directory for themselves. In this regard, experience tells us that France and Germany will tend not to accept Spain as a co-participant in this directory of large countries. As for the second option, constitutionalising its foreign policy interests, for example in the Maghreb or Latin America, means transferring and definitively losing control over the policies that most interest Spain and relying on community institutions – particularly the Commission – to defend its interests better than Spain itself does. Provided the present state of things, this is not a given, and less so in an enlarged Union as diverse as the one soon to come into being.

Fourth, since Spain is a great beneficiary of the two main community policies (agricultural and regional), any scenario involving reduced funding will require very difficult and – with regard to elections – costly political decisions. In the case of agricultural policy, the experts maintain that the large cereal-producing regions of the Castilian plain are already only

barely surviving and that any additional reduction in community funds would force Spain to accept something that the Spanish government has considered anathema up to now: co-financing agricultural policy. Likewise, in the case of structural policies, since the incomes of only three regions of Spain (Andalucía, Extremadura and Galicia) will remain below 75 per cent of the community average and are thus assured access to European funds, it is easy to anticipate a scenario in which the cost of Spain's contribution to European regional policy will be higher than the benefits the country obtains from it. For this reason, Spain could question its continued support of this policy and start examining whether co-financing agricultural policy and renouncing structural funds may be valid options for the near future.²⁷¹

Sweden

There are a number of issues that tend to come back in discussions of problems in need of solutions after (but not necessarily because of) enlargement. Policy reform regarding CAP is perhaps the most obvious example. Foreign Minister Anna Lindh argues: "We need to reform the Common Agricultural Policy, but not because of enlargement. Reform is already long overdue. But it should not be linked to enlargement."²⁷² Also institutional reform is often referred to, explicitly in relation to the Convention and the upcoming IGC, or as part of administrative changes due to enlargement. The general ideas of the government concern keeping the powers of the member-states (against further supranational elements), on the one hand, and the protection of small states' interests, on the other.²⁷³ While most of the

²⁷¹ José I. Torreblanca, Finally, the Enlargement. The European Union after the Copenhagen Council, download: <http://www.realinstitutoelcano.org/analisis/188.asp>.

²⁷² Speech, 2002-10-14, www.regeringen.se/annalindh; see also article by Prime Minister Göran Persson, 2002-12-16, www.regeringen.se/goranpersson.

²⁷³ See for example the official Foreign Policy declaration 2003 and speeches by Foreign Minister Anna Lindh, all available at www.regeringen.se/annalindh.

political parties at the national level share this approach to EU reform, it may be noted that the stance of the Liberal Party is somewhat more "federalist" in inclination.²⁷⁴

United Kingdom

Reform of policies

The UK is strongly in favour of a radical reform of the CAP policy, as it considers that its effects are detrimental. The need for a new approach (such as a greater stress on environment or food safety) is also part of debate. The UK Government is working for the opening of agricultural markets to world trade, since it feels that a tiny part of the EU population benefits from the present CAP policy.

The EU should focus its financial transfers on helping the new members become competitive within Europe. The next EU financial perspectives (for the period 2007-2013) should redirect spending from outdated policies (CAP) to investing in its future.²⁷⁵

Reform of own resources system

There is hardly any debate in the United Kingdom turning around the EU's future resources system. Above all, there is no willingness to open the question of the British rebate. "Rebate" has been thoroughly internalised by public opinion as a permanent adjustment to the UK's contribution.

Political system of the EU

The reform of the decision-making procedures is considered to be another serious problem that the EU will have to address while digesting its biggest-ever enlargement. But the institutional architecture of the EU needs to be able to cope with the new policy priorities brought by enlargement, such as a reform of the own resources system and an outdated agricultural policy. The Convention should think about what kind of rules and institutions the EU

²⁷⁴ See the European program of the Liberal Party, www.liberal.se.

²⁷⁵ Centre for European Reform, 2002.

needs in order to meet new policy requirements (Lisbon agenda).

6. Was the process from Copenhagen 1993 to Copenhagen 2002 a success for the EU/the candidates? Please refer to

- **strengths and weaknesses of the EU enlargement strategy**
- **adaptation process of the candidates**
- **roles of the Commission and the member states**
- **trends in public opinion in your country**

Austria

Strengths and weaknesses of the enlargement strategy

Overall, virtually all sectors of society participating in the Austrian public debate welcomed the historic nature of the largest EU enlargement ever in its history and consider it a huge success. With its role and history right in the middle of a continent marred by war and 40 years of Cold War division, Austria is perhaps particularly aware of the potential for peace and prosperity this move is expected to bring.

The Austrian government highlighted what it perceives as the strong success of the 'Accession Partnerships'. Containing precise commitments on behalf of the candidate countries, focusing specifically on the priority areas identified in the regular 'Progress Reports' of the European Commission, as well as being concise and clear, these were found to be useful customised tools to prepare candidate states for accession. Hence, the Austrian government considers that this diversified pre-accession strategy "worked very successfully with no

major weaknesses".²⁷⁶ The Federal Economic Chamber highlighted its pleasure at the fact that those candidates who started as much as two years later than others, were ultimately able to conclude the process at the same time. The Chamber notes however, that the weakness of the process was its very long duration from the date of applying for membership and the beginning of accession negotiations. It would welcome a clearer timetable or framework, which could enable this process to be accelerated.²⁷⁷

Adaptation process of the candidates

The Austrian government considers that the adaptation process of the candidate countries was actively supported both by the EU and by individual member states on a bilateral basis, and emphasises the role of 'twinning' as a successful tool for preparing future members to adopt the 'acquis communautaire'.²⁷⁸ The Federal Economic Chamber noted that especially former Communist countries adapted quite well and quickly.²⁷⁹

Roles of Commission and member states

The role of the Commission was welcomed by the People's Party, who considers it to have been the 'driving force' in the process leading to accession.²⁸⁰ The Social Democrats noted the sometimes 'polemical' debate on enlargement in Austria and particularly regretted several threats of a veto to enlargement issued by opponents, which lead to a 'poisoning' of relations with neighbour states in particular.²⁸¹ The Federal Economic Chamber rated the role of the Commission very positively, especially as regards finding solutions to sticking points in negotiations. It criticised member states for sometimes having only their own interests in mind, and not the benefits to the entire Union

²⁷⁶ Interview with an official of the Ministry for Foreign Affairs, April 2003.

²⁷⁷ Interview with a senior WKÖ official, April 2003.

²⁷⁸ Interview with an official of the Ministry for Foreign Affairs, April 2003.

²⁷⁹ Interview with a senior WKÖ official, April 2003.

²⁸⁰ Interview with a senior ÖVP official, April 2003.

²⁸¹ Interview with a senior SPÖ official, April 2003.

project. It considered this to have been especially striking during the negotiations leading to the Treaty of Nice.²⁸²

Trends in public opinion

As the Federal Economic Chamber pointed out, in general it is true that the closer Austria gets to actual enlargement in 2004, the greater the acceptance of the process as measured in public opinion.²⁸³ The results of the most recent Eurobarometer opinion poll indeed show a clear increase in the percentage of Austrians who advocate enlargement. In answer to the same question asked six months before, now 51 per cent were in favour, and 31 per cent against.²⁸⁴ This compares to 45 per cent in favour and 36 per cent against as reported in the previous Eurobarometer poll.²⁸⁵

Belgium

In an interview in “Vers l’avenir” of 13 December 2002, Louis Michel sums up the mistakes that have been made within the enlargement process. First of all, to have left the candidate countries fallen into an unruly market economy without guidance. Secondly, the fact that the institutions have not been adapted in time to manage the enlargement process. And last but not least, the direct financing of the Union which had not been placed on the European agenda.

Strengths and weaknesses of the enlargement strategy

Prime Minister Guy Verhofstadt praised in a speech before the College of Europe on 18 November 2002 the merits of the enlargement process. Without the perspective of accession to the EU, he says, the matter of the Russian minorities in the Baltics would have never

been dealt with so peacefully, Slovakia would have never resigned to nationalism so firmly, Romania and Bulgaria would not have resolved their dispute over Transylvania so peacefully. Greece and Bulgaria would not have stayed aside in the Yugoslavian civil war.

Adaptation process of the candidates

The Belgian government considers that the candidate countries have done an extraordinary job since the collapse of the Iron Curtain. They have organised free and fair elections, adopted thousands of laws and regulations, and tens of thousands elected officials, specialists, civil servants and magistrates were trained to interpret and apply the new legislation.

Trends in public opinion

In his report to the European Commission, “Enlarging the European Union. Achievements and Challenges”, Wim Kok states that “the highest levels of support were recorded in Italy and Ireland (around 80%) followed by Spain and Belgium (70-75%).”²⁸⁶

Denmark

Strengths and weaknesses of the enlargement strategy

Overall, the enlargement process from Copenhagen 1993 to Copenhagen 2002 is regarded as a major success – both for the EU and for the newcomers. Changing Danish governments have from the outset supported the encompassing regatta approach employed since Helsinki 1999. That this approach was chosen was a vital aspect to Denmark – not only to ensure that no new divisions were made after the fall of the Berlin Wall, but also to make sure that all three Baltic states were included in the first round of enlargement. At the same time, however, the need to apply the differentiation principle has been acknowledged, so individual

²⁸² Interview with a senior WKÖ official, April 2003.

²⁸³ Ibid.

²⁸⁴ Eurobarometer 58, Autumn 2002, http://europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_en.htm.

²⁸⁵ Enlargement/Agenda 2000 Watch 5/2002, p. 17.

²⁸⁶ Wim Kok, Enlarging the European Union. Achievements and Challenges. Report to the European Commission, European University Institute, Robert Schuman Centre for Advanced Studies, 26 March 2003, p.27.

progress could be rewarded properly. To the Danish government and the majority of the parliamentary parties, interest organisations and public opinion it has thus been an important achievement that 10 new countries are ready to join the Union and that Bulgaria and Romania were given a concrete date for accession in 2007.

Criticism has, however, from time to time been voiced that the enlargement process has been too slow, which means that the accession process has taken too long to the detriment of the candidates. Especially the progress made from 1993 to 1997/98 was seen as too meagre compared to the time elapsed. This criticism was primarily directed toward the EU countries, not the candidates.

One part of the enlargement strategy, that of not linking a reform of the CAP to enlargement, has been perceived in Denmark as both positive and negative. Positive, because it enabled the Danish presidency to conclude enlargement negotiations in Copenhagen. And negative for the future EU as such, because of the inevitable and perhaps devastating budget fights ahead.

Adaptation process of the candidates

As regards the adaptation process of the candidates, there has hardly been general debate in the public sphere, but criticism has been expressed on a case-by-case basis. An example from the period 1993-1998 has been the pace of reforms and progress in Latvia with a view to the rights of the Russian minority, where the press and the Danish Centre for Human Rights pointed out the inability of Latvia to fulfil the Copenhagen criteria. This criticism did however cease in the period following election reforms in Latvia.

There has been a tendency of successive Danish governments to publicly downplay the candidate countries' problems in the adaptation process (especially as regards corruption as well as the environment, the Ignalina nuclear plant being the exception). Internally, however, Denmark together with other member states has not shied away from putting pressure on candidates whenever they deemed it timely and necessary.

Roles of Commission and member states

The Commission, and particularly the Direction General for Enlargement, has been credited by the Foreign Affairs Ministry for the crucial role it played in the accession negotiations and for keeping a firm grip on the negotiations. Furthermore, the Danish government was very satisfied with its co-operation with the Commission during the second semester of 2002, when Denmark held the EU presidency. The good relations appeared to have created optimal conditions for the endgame of the negotiations.²⁸⁷

Other Member States have been credited as well for the success of the enlargement negotiations. In particular, positive comments have been made on the progress and hard work made by the Swedish and Spanish presidencies.

Trends in public opinion

One of the most remarkable features that can be noted with regard to the enlargement process in Denmark has been the consistent, continuous strong support for enlargement in public opinion. Since spring of 1998 (possibly even before) 50 per cent or more of the Danish voters have supported the accession of candidates from Central and Eastern Europe to the European Union.²⁸⁸ Even when asked, if enlargement is still a good idea, if it would have negative consequences for the Danish economy, 40 per cent answer "yes", thus implying that the political gains of enlargement as laid out by Danish politicians – peace and stability in Europe – are of great importance to many Danes.²⁸⁹ The support for enlargement increased even further during the six months of

²⁸⁷ Based on interview with Danish Ministry of Foreign Affairs, February 2003.

²⁸⁸ No other opinion polls could be obtained before that point in time with the same question asked. It is, however, dubious whether it in such a case would be "the same enlargement" people would take an opinion on. The large degree of support for enlargement is also consistent across polling companies. L. Friis & L. Mariegaard (2002): Danmark og EU's udvidelse – et populært, men prekært projekt, Report 2002/3, Danish Institute of International Affairs, p. 11-15.

²⁸⁹ See „Danskerne og udvidelsen af EU. Holdninger og forventninger til et udvidet europæisk fællesskab“, February 2003, Den Danske Europa-bevægelse, p. 8.

the Danish presidency. According to Eurobarometer No. 58, 71 per cent of the Danes favoured enlargement whereas 19 per cent opposed it in October/November 2002, which is a support rate only outnumbered by the Greek population.

Finland

The government's view is that the enlargement process has been a success for both the Union and the candidates. The roadmap and the commonly agreed principles of differentiation, own merits and objective criteria were for the most part followed successfully by the Commission and the member states. The candidate countries have shown good capacity to adapt to the membership criteria, although much still needs to be done before their full economic integration into the Union.

However, a public debate about enlargement during the period covered by this issue of *Enlargement/Agenda 2000-Watch* has been rather muted in Finland. Perhaps the biggest reason for this lack of enthusiasm was the general elections held in March 2003. Like in any country, the elections tend to have a rather inward-looking character where economic issues and other questions of domestic politics tend to be more important than foreign policy issues.

This time the elections were characterised by the rather strong polarisation between the ruling Social Democratic party and its chairman, prime minister Paavo Lipponen and the main opposition party, the Center Party and its leader Anneli Jäätteenmäki. In the battle that ensued, the undeniable forte of Paavo Lipponen, Finland's European policy, was left to the sidelines as Anneli Jäätteenmäki sought to challenge him – successfully one might add – in other areas of domestic and foreign politics. The result of the elections was a narrow victory for the Center Party. As a consequence, Finland received its first female prime minister.

The elections resulted in a coalition government where the Center Party and Social Democrats form the government with additional help being given by the Swedish People's

Party. Despite the fact that the Social Democrats continued in the government, Paavo Lipponen decided not to join its ranks but took the position of the spokesman of the Parliament instead. Erkki Tuomioja did, however, continue as foreign minister, giving some continuity in foreign policy. The debate is now only starting in Finland about the new prime minister's European credentials. However, it seems likely, that at least in the short term, Finland's role and activism could diminish on the European stage.

What comes to the wider elite debate in the country, it has been predominantly moderate and pro-enlargement. No major political force, trade union or interest group has put the overall importance of enlargement for the future of Europe in doubt. A prime example is the Central Union of Agricultural Producers and Forest Owners (MTK), which despite being openly critical about the effects of enlargement on Finnish countryside has, when commenting on the issue in public, always remembered to also celebrate the enlargement's "historically positive effects on stability and prosperity" in Europe.²⁹⁰

By contrast, and as has been reported in the previous issues of *Enlargement/Agenda 2000-Watch*, Finnish public opinion has been rather critical about EU enlargement. A survey organised by the biggest daily, *Helsingin Sanomat*, in December 2002 showed that only 49 per cent of respondents were in favour of enlargement with 41 per cent opposing. The figures have changed relatively little from the last survey conducted in the summer of 2001. The survey revealed that the cost of enlargement is the central factor explaining the opposition to enlargement in the country. There seems to be an internal divide within Finland, as the southern parts and the younger people in particular favour rapid enlargement whereas the northern parts and the elderly want the process to be postponed.²⁹¹

²⁹⁰ Cf. *EU:n laajentuminen on raskas prosessi* (EU Enlargement is a burdensome process), a speech by Esa Härmälä, the chairman of MTK, 17 December 2002. Available at <http://www.mtk.fi/tiedote.asp?path=2918;50;9790;16653>. Downloaded 28 April 2003.

²⁹¹ *Helsingin Sanomat* 20 December 2002. These conclusions are also verified by another survey published in February 2003: *Vaatelias vaalikansa* –

This trend has persisted even in the aftermath of Copenhagen. The Eurobarometer survey published in March 2003 revealed, that 16 per cent of the respondents were still against enlargement and over half of them favoured letting in just some of the applicants. In addition, Finns would prefer to have the more prosperous Iceland, Norway and Switzerland as EU members instead of the ten newcomers that are going to enter the Union in 2004. Even Estonia – which is by far the Finns' favourite candidate – comes far behind the two Nordics and Switzerland. In the survey Albania, Bosnia, Croatia, Macedonia and Turkey received most opposition for their membership.

The reasons for opposing enlargement have remained the same, as Finns are worried of losing EU funds as well as fearing for difficulties in EU decision-making in the post-enlargement situation.²⁹²

France

Strengths and weaknesses of the enlargement strategy

In the eyes of the French, the main weaknesses of the enlargement strategy are, first, to have put aside the question of the objectives of the Union, and second to have, to a large extent, disconnected enlargement from the political and institutional issues that it raises. It is clear that the French government is partly responsible for that situation. Yet, beyond this contradiction between the French official discourse and its actual position when it comes to negotiating, this explains the nature of the debate about enlargement in France. The debate has concentrated on what enlargement will mean for the Union in the long run: what will it be able to achieve, and will its institutions be viable? There is an implicit agreement that enlargement changes the nature of the Union, and that this far-reaching issue has not been properly addressed.

Raportti suomalaisten asenteista 2003 (Helsinki: EVA, 2003). The report is available (only in Finnish) at

http://www.eva.fi/julkaisut/raportit/vaatelias_vaalikansa/sisluet.htm Downloaded 28 April 2003.

²⁹² *Helsingin Sanomat*, 5 March 2003.

Last October, the “bureau politique” (sort of executive board) of the Socialist Party only approved enlargement by 23 votes against 12.²⁹³ The socialists voiced their concerns that the Union might become simply a free market zone. Among the opponents, Henri Emmanuelli explained that enlargement is taking the EU further away from the citizens, because the process lacks a clear “social and democratic content”. The UMP (*Union pour un mouvement populaire*) the new main right-wing party – president Chirac's party – is, because of its situation, not in a position to criticise too vocally the current enlargement process. It is clear however that many of its members do not support it. Many of them are former followers of Charles Pasqua and Philippe Seguin, who both took the lead of the opposition to the ratification of the Maastricht Treaty in 1992. Jacques Myard (UMP – Member of the National Assembly, and a friend of Charles Pasqua), for instance, said that the Union is going to be plunged into “permanent institutional crisis” because of enlargement.²⁹⁴

Adaptation process of the candidates

As already noted, enlargement is widely seen in France as a problem for the Union in general and for France in particular. In that respect, little attention has been paid to the candidates themselves. In the eyes of the public, it is as if the actual state of the adaptation process did not matter that much.

The French official position has always been to insist on full transposition of the “acquis communautaire” before accession. Today, while legal transposition is well under way, it is getting clearer and clearer that adaptation cannot be limited to the transposition of legal texts. The emphasis is now on the capacity of the administrations and of the legal systems of the Ten to work according to West European standards. In an official report, the standing committee of the French National Assembly on the European Union sums up the current French concerns. According to the Committee, the success of enlargement is largely dependent on “the capacity of administrations and of the legal systems to enforce the “acquis communautaire”, and of the political will to reform

²⁹³ See *Le Monde*, 24 October 2002.

²⁹⁴ *Les Echos*, 22 October 2002.

them”.²⁹⁵ The Committee is particularly concerned by the situation in Poland (underground economy, bribery, patronage). The consensus seems to be that a lot remains to be done. Legal changes are not enough. Now practices need to evolve.

Roles of Commission and member states

It is usually argued that after the Delors years, during which the Commission was the driving force in Europe, its influence and power decreased. Following the rise of a vocal euro-sceptic movement during the campaign for the referendum on the ratification of the Treaty of Maastricht, French officials welcomed this change. Their declared objective became to democratise European institutions to tackle the “democratic deficit”, and the Commission, being an unelected body, was the main target. Researchers have noted that enlargement has been a way for the Commission to take back some lost ground.²⁹⁶ Having the expertise and being the necessary mediator between member states and candidate countries, the Commission was able to play a pivotal role.

During the same period, the importance of European Councils was confirmed, as well as the role of the presidency of the Council. French officials seem to be quite content with this distribution of roles: the Commission as an expert and a mediator and the European Council as the main political body, determining the objectives and taking the main decisions.

Trends in public opinion

The latest release of the *Eurobarometer* (Report on France, 58.1, January 2003) confirms what we already know about French public attitude towards enlargement. Only about 20 per cent of the respondents feel well informed about enlargement. As in previous surveys, France is the only country within the European Union where the percentage of people opposed

to enlargement (49 per cent, +2 per cent) is higher than that of people who approve it (41 per cent, +1 per cent). 34 per cent of those polled think that the Union should not accept new members at all. No country among the candidates sees its application approved by the French public. Poland, with 40 per cent of approval comes first, while Slovenia, Romania and Turkey, with 23 per cent each, come last. Interestingly, Yugoslavia gets 26 per cent, Croatia 23 per cent, Macedonia 22 per cent and Bosnia-Herzegovina and Albania both 21 per cent. There seems to be very little differentiation between countries, which reflects above all ignorance and little interest. 71 per cent of the respondents fear that with more members, it will be much more difficult to take decisions at the European level (compared to 66 per cent in the EU-15).

A poll carried out in France at the end of 2002 comes up with slightly different figures. Its main interest is to make a distinction between respondents. The survey shows that there is a clear opposition between left-wing voters (54 per cent approve enlargement) and right-wing voters (only 45 per cent of approval), as well as a clear distinction between the younger people (18-24 years old) who largely approve enlargement (71 per cent) and the other.²⁹⁷

Germany

Strengths and weaknesses of the enlargement strategy

As Hans-Martin Bury, State Secretary in the German Foreign Office, points out, the principal achievement of the European Union with a view to its enlargement strategy has been the courage to carry out two big reform projects simultaneously, namely widening and deepening, which complemented one another: enlargement and its positive consequences would not be conceivable without institutional reform, while at the same time the European Convention would not have been able to initiate changes without the pressure created by

²⁹⁵ Report by the standing committee (French National Assembly) on the European Union, 8 April 2003 (accessible at <http://www.assemblee-nat.fr/12/europe/index-rapinfo.asp>), p. 27.

²⁹⁶ Cecile Robert, « L’Union européenne face a son elargissement a l’Est: incertitudes politiques et construction d’une leadership administratif », *Politique Europeenne*, n°3, January 2001, pp. 38-60.

²⁹⁷ Ipsos-Le Figaro, 10 December 2002, <http://www.ipsos.fr/CanalIpsos/poll/7703.asp>.

enlargement.²⁹⁸ Nevertheless, critical voices have repeatedly pointed out that widening of the Union has during the endgame too much been achieved at the expense of deepening.

Adaptation process of the candidates

Besides some cautious criticism expressed against the background of the accession referenda (cf. question 2), relatively little attention has been paid to the adaptation processes of the Central and Eastern European countries. It is widely acknowledged that great efforts have been necessary in order to cope with the simultaneity of political and economic transformation, while having to come to terms with the totalitarian past.²⁹⁹ However, it has been criticised by some authors that the candidate countries were, during the whole negotiation process, perceived as being an “object” rather than “subject” of enlargement.³⁰⁰

Roles of Commission and member states

As already mentioned, an outstanding importance has been attributed by German politicians to the role of the European Commission, and especially enlargement Commissioner Günter Verheugen, in the process of eastern enlargement. This is also underlined by the fact that Germany can in general be said to often align itself with the Commission in defining its positions and strategies with regard to the most crucial issues of accession negotiations.

Trends in public opinion

The position of Germany as a “front state”, that is the substantial consequences enlargement will bring about for Germany more than

²⁹⁸ Speech of State Secretary Hans-Martin Bury at the Institut für Europäische Politik, 12 May 2003, download: <http://www.iep-berlin.de/mitttagsgespraech/mig-2003/burymitttagsgespraech-030514.pdf>.

²⁹⁹ Cf. Declaration of the spokesman for foreign policy of the SPD parliamentary group, Gert Weisskirchen, on the occasion of the EP voting on the accession of ten accession countries, press briefing of the SPD parliamentary group, 9 April 2003.

³⁰⁰ Cf. e.g. Henning Tewes, Rot-Grün und die Osterweiterung der Europäischen Union, in: Hanns W. Maull et al. (eds.), Deutschland im Abseits? Rot-grüne Außenpolitik 1998-2003, Baden-Baden 2003.

for any other state (perhaps with the exception of Austria), implies two controversial observations: first, at least if compared with other EU member states, interest in the issue of enlargement has always been quite lively among the German population and second, resistance to enlargement has permanently been above-average high.³⁰¹ It is only in spring 2001 that the number of supporters surpassed those of the opponents. Since then, enlargement of the European Union is backed by a relative but nonetheless thin majority.³⁰² In October 2002, 46 per cent of Germans were in favour of enlargement in general (34 per cent against), compared to 43 per cent in April 2002. This means, however, that Germany is still one of the countries with the lowest support rates, only France and the United Kingdom show figures below the German ones.³⁰³

Nevertheless, a deeper analyses has to take into account not only the fact, that support for enlargement has – for obvious reasons – always been higher in Eastern than in Western Germany, but also that support for accession highly varied with regard to different candidate countries. For example, support for the accession of Hungary has always surpassed the European average,³⁰⁴ due above all to the active role Hungary has played in the context of German re-unification. On the other hand, the number of opponents of a potential Turkish membership is clearly higher in Germany than in the rest of the European Union (see related chapter).³⁰⁵

³⁰¹ Cf. Eurobarometer No. 58, country report Germany, January 2003, http://europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_germany.pdf.

³⁰² Cf. Enlargement/Agenda 2000-Watch, No. 5/2002, November 2002, pp. 31-32.

³⁰³ For a comprehensive review with regard to German public opinion towards enlargement and towards the future of the EU in general, cf. Oskar Niedermayer, Die öffentliche Meinung zur zukünftigen Gestalt der EU. Bevölkerungsorientierungen in Deutschland und den anderen EU-Staaten, Bonn 2002, more information under http://www.iep-berlin.de/forschung/verfassung/projektpapiere/analyse_n/band4.htm

³⁰⁴ In October 2002, 56 per cent of the German population favoured the accession of Hungary, compared to an EU-15 average of 52 per cent.

³⁰⁵ 54 per cent against, compared to 49 per cent in the EU-15.

Besides underlining the chances enlargement could bring about with a view to foreign and security policies or other sectors, as for example the increased chances for co-operation in the field of environmental protection, German governments always put strong emphasis on the economic advantages the accession of Central and Eastern European countries would entail, when talking about enlargement. This might be due to far-reaching reservations of the German population with regard to a possible deterioration of their individual social and economic situation. For this reason, the German government has shown great activism in order to put through a seven-year transition period in the chapter concerning labour mobility.³⁰⁶

The predominance of social and economic motives can also be highlighted with regard to expected consequences of enlargement – here, fears of rising unemployment or of less financial support for Germany are much higher than the EU average – as well as support for the accession of further countries: whereas the German population is, compared to the EU-15, much more sceptical with a view to the (poor) countries of the Western Balkans, support for an accession of countries like Switzerland or Norway clearly surpasses the EU average.³⁰⁷

Greece

Strengths and weaknesses of the enlargement strategy

The enlargement process has been considered an overall success – mainly because in its final configuration included Cyprus in a way considered watertight. In fact, the almost 10 years that passed from Copenhagen to Copenhagen were criticized at the Greek Press as too-long a waiting period for the new entrants. Little attention has been given to the adaptation efforts deployed by candidates – except the close watch of Turkey's adaptation problems with

regard to the general Copenhagen (1993) criteria and to the Helsinki (1999) specific conditions for Turkish accession to succeed.

Roles of Commission and member states

The role of the Commission has been noticed as quite positive and helpful especially in the context of the Cyprus accession, when the good fit of the “acquis communautaire” to the (UN Secretary General) Kofi Annan Plan for Cyprus was judged; also in the unflinching support afforded by (EC Commissioner for enlargement) Gunter Verheugen to the position that a solution to the Cyprus issue was in no way to be considered a condition precedent to the Cypriot Republic's accession.

Trends in public opinion

Public opinion in Greece has been quite positive towards EU enlargement, with 66 per cent replies in favor compared to 10 per cent opposed and 11 per cent of replies stating yes but “depending on the country” (on November 2002 – percentages slightly up from September 2002 and close to EU 15 for “yes” at 66 per cent, but with 21 per cent “no” and 3 per cent “depending on the country”, Eurobarometer 132/2).

It is true that the level of effective sensibilisation to the big bang enlargement in Greece has been rather low up to the end: 69 per cent had heard of it on November 2002 (61 per cent on September), compared to 82 per cent and 75 per cent for the whole of the EU. Still, only 29 per cent of Greeks could not name correctly any candidate country, while 19 per cent could name only one, 27 per cent could name two and a further 27 per cent could name three (to be compared with 40 per cent, 17 per cent, 13 per cent and 30 per cent for EU-15). The three countries named more often in Greece were Cyprus (62 per cent), Turkey (36 per cent) and Bulgaria (14 per cent). The correct accession year (2004) was given by just 14 per cent of Greeks, as opposed to 31 per cent of EU –15 citizens, while 29 per cent of Greeks were “not aware” (compared to 12 per cent at EU-15 level).

³⁰⁶ See for details Enlargement/Agenda 2000-Watch, No. 4/2002, pp. 39-41.

³⁰⁷ Cf. Eurobarometer No. 58, country report Germany, January 2003, http://europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_germany.pdf.

Ireland

Adaptation process of the candidates

The Adaptation process of the candidates is regarded as very impressive and viewed as extremely well accomplished. However, the Irish government notes the Commission is not satisfied with certain aspects of the process such as public administration, independence of the judiciary and that in some cases a functioning legal system is fragile or absent.

Roles of Commission and member states

The Irish government was very happy with the lead role of the Commission in providing the basic material for negotiations, while the Member States had their own interests to defend. The process is regarded as a success for both the EU and the candidate countries.

Trends in public opinion

According to the most recent Eurobarometer National Standard Report on Irish Public Opinion on European Integration (No. 58), Autumn 2002, "support for enlargement increased in Ireland between spring and autumn 2002 and is among the highest in the EU. It should be noted however that more detailed statistical analysis of people's expectations regarding the consequences of enlargement, shows that the positive consequences that Irish people see as following from the enlargement process tend to be of an intangible sort. In contrast, the negative expectations, which are almost equally widespread, relate to much more tangible and material matters (This contrast is found in public opinion in the Union as a whole)". Public opinion in Ireland has always been favourable towards enlargement, and post-Nice, any previously held reservations in particular areas have disappeared.

On 18 October 2001, the Irish government established a national forum in Dublin Castle with a mandate to "facilitate a broad discussion of issues relevant to Ireland's membership of an enlarging Union and to consider the range of topics arising in the context of the debate on the Future of Europe". The contribution of the National Forum on Europe to the enlargement debate has been crucial in this regard. The

Forum which dedicated its first phase to enlargement and its second phase to the Future of Europe debate met in public session in Dublin Castle to discuss a wide range of issues and the reports of its Chairman, Senator Maurice Hayes, reflect the whole range of opinion in Ireland on enlargement and on the debate on the future of Europe. It is widely accepted that the Forum has contributed in a positive way to the formation of an informed public opinion on the debate on the Future of Europe.

Italy

The Italian government hopes that enlargement will take place in the timeframe set, thanks also to the success of the support programmes for the candidate countries. In general, Italy feels that the enlargement process has developed positively and that the countries have made considerable efforts to adapt. Considering the difficulties and the costs of this adaptation process, the results are more than encouraging. As was inevitable, adapting to the *acquis* has not produced identical results in all countries. Nevertheless, even if the results are not wholly satisfactory from a technical point of view, they are from a political one. For Italy, it is important that a safeguard clause be introduced allowing the Commission to exclude candidate countries from certain sectors of the internal market if they do not conform to the *acquis*. The Italian government believes that the Commission played an active role during the intergovernmental negotiations, and that its indications have almost always been followed and adopted. The Commission's role in this field is not formally established in the Treaty, and this adds to the importance of its contribution. In general, Italy assesses the action of the Commission throughout the enlargement process very positively.

In October 2002, Eurobarometer indicated that in absolute terms, EU enlargement to the candidate countries was seen positively by 61 per cent of Italians interviewed, while 19 per cent were against. The figures are more favourable than the EU average (50 per cent in favour, 30 per cent against) and seem to indicate that Italians are more open to the entry of other member states. If this is seen in the context of opi-

nions expressed on other EU policies, however, it turns out that enlargement is the European policy that receives the least consensus. This is confirmed by the fact that 61 per cent of Italians feel that it is not one of the Union's priority objectives.

Most of those interviewed (42 per cent) would like to open up only to some countries that seek entry (as compared to an EU average of 40 per cent). Only 29 per cent of Italians (as compared to an EU average of 21 per cent) are ready to open up to all countries that would like to join and 13 per cent would prefer that there were no enlargement at all (EU average 21 per cent).

The majority of Italians are in favour of granting entry to all current candidate countries except Turkey. Of the 13 candidates, more than 50 per cent of Italians were in favour of the entry of five (Malta, Hungary, Cyprus, Poland and the Czech Republic).

Netherlands

Strengths and weaknesses of the enlargement strategy

The Netherlands position over the years has been generally in favour of enlargement. Enlargement of the European Union is perceived as part of the aim to realise stable economic and democratic relations within Europe. The current enlargement is considered to be a historic mission ending the division of Europe. In the opinion of the Dutch government the EU perspective has played a crucial role in the transformation processes in Central and Eastern Europe. Even before accession of the candidate countries to the EU, the positive effects of the EU perspective have become visible. Governments have settled their financial affairs, reformed their administrative structures, improved legislation for minorities, modernised their judicial systems and improved their bilateral relations with neighbouring countries in a peaceful manner.³⁰⁸

³⁰⁸ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'Regeringsnotitie Verant-

Adaptation process of the candidates

However, the government is aware that still a lot needs to be done in the candidate countries to meet the obligations to which they have committed themselves at the Copenhagen Summit. In this respect, the Netherlands holds the position that the Pre-accession Economic Programmes in which the candidate countries report on an annual basis on the progress in the field of necessary economic reforms for accession will be continued until the actual accession in May 2004. Apart from this issue, the Dutch government is pleading for continuing the monitoring of economic reforms even after enlargement. They also consider it of high importance to allocate enough support for institution building in order to enhance the administrative and judicial capacity in candidate countries.³⁰⁹ As mentioned before they also welcomed the intensive monitoring via peer reviews by the member states, usually in close co-operation with the Commission, in the areas of financial services and customs, justice and home affairs, agriculture, nuclear safety and environment.

Roles of the Commission and the member states

The role of the Commission in the enlargement process is valued considering the importance the Netherlands government is attaching to the monitoring role of the Commission in the overall process. As mentioned before special praise has been voiced in the Parliament for the Danish chairmanship of the European Council concluding the accession negotiations with the ten candidate countries.

Trends in public opinion

In October 2002, the opposition against enlargement was growing in the government as well as in the Parliament especially when the Dutch position on reforming CAP before enlargement seemed not to receive a majority

woord Uitbreiden' §stabiliteit en waarden, Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2.

³⁰⁹ Letter to parliament of the Minister of Foreign Affairs and State Secretary for European Affairs (20 September 2002) 'Regeringsnotitie Verantwoord Uitbreiden' §afroning, Tweede Kamer, vergaderjaar 2002-2003, 28604, nr. 2.

and the financial implications of not reforming agricultural and structural policy became clear.³¹⁰ This was also reflected in the media and a wave of Euro scepticism was going through the Dutch society, which seems to have faded away after the actual decision on enlarging the Union was taken at the Copenhagen Summit. Although the Dutch press in general commented on the event of the enlargement as being historic, there was not much euphoria, but rather a pragmatic approach at the same time calling for the need of reforming of the Union to ensure a functioning decision making structure.³¹¹ In line with this rather pragmatic and slightly pessimistic approach, the Dutch press was blaming, in January, the political parties for not paying enough attention to the issue of Europe in their election campaigns and informing the public properly.³¹² Concluding, it can be stated that the wave of Euro-scepticism seems to have been a temporary hype both in society as in the government. It seems that the Netherlands has taken up again its role as pro-European country and safe guarder of the community method.

Spain

The main criticism of how the enlargement process has been handled which circulates in Spain deals with the fact the debates and negotiations have focused too much on the costs and too little on the dynamic economic effects of enlargement. From the perspective of Spain, the policy of financing accession of the new members with existing financial resources has provoked unnecessary divisions among member states and also has translated the wrong image on the costs of enlargement to European

citizens. No wonder that, as a result, the publics are sceptic, when not openly weary, of the whole enlargement issue and the Union is finding a lot of problems in putting together a comprehensive post-enlargement strategy, including the divisions arisen within the European Convention itself on the future institutional shape of Europe. Compared to some of the forecasts, enlargement has been rather cheap. Two qualifications have to be made however: first, "cheap" does not necessarily mean "good"; second, some of the most important problems, like the reform of the CAP, the own resources or structural policies, have been merely postponed. The swords are thus risen and as a result, one may conclude, though enlargement may be a reality in terms of accession dates and accession treaties, the big battles over enlargement are still to be seen.

Sweden

Strengths and weaknesses of the enlargement strategy

In retrospect, the general Swedish perception is that the enlargement process has been a success. This is especially evident when focusing on the period from the Swedish Presidency onwards, perhaps already from the Helsinki European Council (December 1999) when decisions were taken to open negotiations with those candidates left behind a couple of years earlier. There was thus in the first half of the period criticism from various Swedish actors that the process had been dictated by great power concerns and was kept exclusive for some of the candidates only. Swedish representatives – government and opposition alike – argued for a regatta approach regarding negotiations and a principle of differentiation regarding the conclusion of negotiations and the subsequent entry. The Swedish Presidency period in general and the Gothenburg European Council in particular meant that the enlargement process moved closer to Swedish interests in terms of framing the process in security-political terms, setting a time-table and committing the EU to ending the proc-

³¹⁰ Without reforming CAP and the structural policy the Netherlands' EU contribution will increase from 3.3 billion (2003) till 6 billion (2006), *Trouw* (21 September 2002).

³¹¹ 'Nederlandse pers over uitbreiding: historisch maar wat nu?' (16 December 2002) from: www.europortaal.nl/news.

³¹² 'Politiek omarmt Europa stilzwijgend' *NRC* (29 December 2002); Max van de Berg en J.M. Wiersma 'Verwijt Nederlandse politici negeren EU' *NRC* (8 January 2003) and 'Europa is ondankbaar verkiezings Thema' *NRC* (13 January 2003).

ess.³¹³ The Foreign Minister has been the clearest one in pointing out the logic of the process, in arguing that the “candidate countries have come a long way. Their determination has been the key; the pre-accession assistance an important tool”.³¹⁴

This overall impression, shared by most Swedish observers, of the process being a success, does not mean, however, that there are not individual components that could have been approached differently, regarding financial solutions and, not least, the CAP. The overall impression seems to be a positive one, however. Prime Minister Göran Persson has argued that the CAP negotiation outcome is not a perfect solution, but acceptable to all parties.³¹⁵

Roles of Commission and member states

Most Swedish analysts would agree that the European Commission is an immensely important player in the enlargement process. Whereas the importance of this supranational institution was hard to appreciate for many Swedish politicians (and academics) in the early years of membership, again, the Presidency period proved decisive. It was obvious through the period, first, that the Commission is an important actor, second that the approach of the Commission regarding the enlargement was and is similar to the Swedish one. All in all, the enlargement experiences have contributed to a Swedish re-evaluation of the Commission.³¹⁶

Trends in Public Opinion

Regarding Swedish public opinion, finally, it has with certain variations, remained among the most positive ones in the European Union regarding enlargement. According to the most recent Eurobarometer (no 58) 65% of the

³¹³ Article by Prime Minister Göran Persson, 2002-12-16, www.regeringen.se/goranpersson; speeches by Foreign Minister Anna Lindh 2002-10-14, 2002-11-25, www.regeringen.se/annalindh; Rikard Bengtsson, “Securing Europe? The Swedish Presidency and EU enlargement”, *Central European Political Science Review*, Vol. 3, No 7, spring 2002

³¹⁴ Speech 2002-10-14, www.regeringen.se/annalindh.

³¹⁵ See for example article 2002-12-16, www.regeringen.se/goranpersson.

³¹⁶ See Rikard Bengtsson 2002.

Swedes are in favour of enlargement, compared to 52% in the EU-15 countries, whereas 23% of the Swedes are against enlargement, compared to 30% in the EU-15 average.³¹⁷

United Kingdom

The creation of a strong European Union in a secure European neighbourhood is a third priority for British foreign policy for the next ten years. Enlargement in 2004 is an opportunity for the Union to broaden its horizons beyond central Europe, and to focus on the challenges of spreading democracy and prosperity on its southern and eastern frontiers.³¹⁸ The enlargement strategy is appreciated as a success in the UK, although there are detailed criticisms to be made. Criteria for membership were established, as a starting point for the newcomers in joining the EU, and these criteria have, to a large extent, been met.

Candidate countries managed to adapt politically and economically for membership. They have re-oriented towards European liberal-democratic standards, liberalised and reformed their economies and adopted European rules and regulations. As the Centre for European Reform writes, no country among the ten is lagging across the board. All have their strengths and weaknesses. However, the candidates all score well on the EU’s Copenhagen criteria and the remaining gaps in their preparedness for accession are relatively small.

In terms of public opinion trends, the UK is one of the EU’s least involved countries as far as political discussion is concerned. The UK also scores low when it comes to the level of knowledge of the policies and institutions of the European Union. Only 9 per cent of those polled for the last Eurobarometer³¹⁹ in the UK feel they were contributing to the debate on enlargement. Also, the highest percentage of

³¹⁷ See further

www.europa.eu.int/comm/public_opinion/archives/eb/eb58/eb58_sweden.pdf.

³¹⁸ Tony Blair, April 2003.

³¹⁹ Survey carried out for the European Commission’s representation in the UK, Eurobarometer No. 58, February 2003, http://europa.eu.int/comm/public_opinion.

people (45 per cent) considering themselves not at all well informed on enlargement was from UK. The UK public not only gave a low level of support to enlargement (42 per cent for and 32 per cent against), but also headed the list of “don’t know” at 26 per cent. Given that more than half of the UK population (54 per cent) admits to never looking for information on enlargement, one can conclude that public opinion is still sceptical or indifferent about this issue, despite the active pro-enlargement stance of its Government.

**Analytical survey by applicant country
(Czech Republic, Hungary, Poland, Slovenia)**

1. What is the assessment of the conclusions of the accession negotiations in your country in view of

- **Overall deal**
- **Financial package (overall amount and Agenda 2000 ceiling, regrouping of funds, structural payments, agricultural subsidies, infrastructure spending, cashflow problems, etc.)**
- **Transition periods (sensitive chapters: four freedoms (including labour mobility), environment, competition, length and nature of transition periods, agreed safeguard clauses, special concessions for some countries)**
- **Institutions (distribution of seats in the EP, blocking minority of the accession countries in the Council during the interim period, participation of accession countries in the next IGC)**
- **The Cyprus question (political implications of membership of a divided island, chances for unification)**
- **The proceeding of the Copenhagen summit (role of the presidency, bargaining of candidates and (individual) member states, shadow of the Turkish question)**

Czech Republic

Overall deal

The outcome of the conclusion of accession negotiations at the December 2002 Copenhagen summit is perceived very differently by the political parties included in the Czech Government on one hand, and the opposition parties on the other hand.³²⁰ The Government

coalition considers the results of the Copenhagen summit a great success whose significance will be fully appreciated by the Czech citizens only after several years. Also President Vaclav Havel favourably looked upon the Government's role in the course of the negotiations and commented the results by stating that not everything could be assessed in terms of money. On the other side, the Czech Communists expressed their total dissatisfaction with the terms that the Czech Government and the Czech negotiation team have been able to negotiate. They consider the result of Copenhagen as a total failure. Also the ODS (Civic Democratic Party) sees very critically what has been achieved by the Czech negotiators. The ODS congress even passed a resolution according to which the conditions of accession to the EU are humiliating and undignified. Most analysts in the Czech Republic believe that under the given circumstances, the overall deal made in Copenhagen is more or less the maximum from what can be considered as possible.

Financial package

The financial package agreed in Copenhagen has aroused very lively discussions on the Czech political scene. Several opposition politicians pointed out the fact that the Czech Republic will receive the least per person from the EU in the period 2004-2006 as compared to all the other candidate countries. Some of them were demagogically comparing the sum of 76 € per capita for the Czech Republic with the sum of 125 € per capita for Slovenia without taking into account that much of this amount will have to be spent for the protection of external borders in the case of Slovenia. Many emotions have also accompanied the relative size of agricultural subsidies from the EU as compared to current member countries. Although Czech farmers have to cope with strong competition from the EU countries already today, many of them fear that they will not be sufficiently competitive after accession. Unfortunately most Czech farmers are not able to see the fact that they will be getting higher subsidies after accession than they are getting now. On the other hand, their objection that they will not be treated equally as compared to

³²⁰ All information given in this contribution draws on interviews, mostly with people from the Minis-

try of Foreign Affairs, and unpublished internal confidential materials of the MFA.

farmers from present EU member states is to a large extent justified, even if one takes into account generally lower costs in the Czech agriculture. Many Czech experts consider a relatively good deal the fact that in the area of agriculture, the Czech Republic has negotiated the possibility to top-up direct payments from the EU by using national resources or resources from rural development funds up to a level of 30 per cent in excess of the proposed direct payments, that means up to 55 per cent in 2004, 60 per cent in 2005, 65 per cent in 2006, etc. There has also been criticism in the Czech Republic about fact that at least until 2007 when the new budget of the EU should come into effect, the Czech regions will receive, within the framework of the EU regional policy, less than poor regions of the present member countries. According to some estimates, a maximum of 120 € per capita will be provided for the Czech Republic as compared to approximately 230 € in present member states. This is again perceived by some Czechs as a sign of unequal treatment and second class membership. Although the financial package negotiated in Copenhagen is perceived in the Czech academic circles as a relatively satisfactory deal, a justified criticism is directed towards the fact that according to the 1999 Berlin European Council 42 billion € were planned to be spent until 2006 for the accession of six countries, but in Copenhagen this sum was reduced to 40,8 billion € although the expected number of new members has risen to ten countries. This is partly being explained by the present difficult economic situation of Germany which is by far the greatest contributor to the EU budget.

Transition periods

As far as transition periods are concerned, there is a general perception in the Czech Republic that the periods put through by the EU are either not necessary or too long. The Czech farmers are convinced that the year 2013 when they are expected to be treated on equal terms with the present members is too far ahead. Strong emotions were also aroused in the Czech Republic by what has been negotiated in the chapter "Free movement of persons". Some Czechs argue that the restrictions in this area are a violation of one of the four principle freedoms on which the EU Single Market is based. A relatively mild reaction could be ob-

served in the case of the transitional period concerning cabotage, mainly because this issue will affect only a relatively small number of people. However, some politicians show it as an example of violation of the principle of free movement of services. Unsurprisingly, there was a general feeling of satisfaction with respect to the transitional periods and permanent derogations that the Czech Republic has been able to put through, especially the ones concerning the area of taxes, the environment, and the purchase of real estate and agricultural land by foreigners.

Institutions

There is full satisfaction in the Czech Republic with those results of the negotiations referring to the chapter "Institutions". The Czech Republic will have an adequate representation and weight in all the main institutions of the EU. The controversial decision taken at the Nice summit concerning the number of seats for the Czech Republic in the European Parliament has been changed in Copenhagen. Thus the Czech Republic will have 24 seats in the EP which corresponds to member countries with a comparable size of population. The Czech Republic will have its Commissioner in the European Commission from the date of entry. In the Council of the EU, the Czech Republic will be represented, from the date of entry until the 1st November 2004, when the new distribution of votes according to the Nice Treaty will come into effect, by 5 votes which is the same as in the case of the Netherlands with 15 million inhabitants. From 1st November 2004, the Czech Republic will have 12 votes just like countries with a comparable size of population (Hungary, Greece, Belgium and Portugal).

As far as the participation of candidate countries in the next IGC is concerned, the Czech Republic will insist on its "full participation" as a country which has signed the Accession Treaty.

The Cyprus question

The Czech Republic welcomes the invitation of the internationally recognized Republic of Cyprus to the EU at the December 2002 Copenhagen summit. The Czech Republic had believed that the Cypriot Greeks and the Cyp-

riot Turks will at least manage to negotiate a framework agreement under the supervision of the United Nations. The Czech government had appreciated the proposal of the UN which had foreseen a Cypriot confederation inspired by the Swiss model. Unfortunately, an agreement between the two Cypriot communities has not been reached. In this situation, the Czech Republic supports the common position of the EU, that means admission of the internationally recognized Republic of Cyprus.

Proceeding of the Copenhagen summit

Although the Czech Government sees the positive aspects of the present model of a rotating Presidency, it is aware of the need to adapt the form and performance of the Presidency to the "EU-25" conditions. Above all, the adaptation of the system of rotation should continue to respect equality of member states. The balance of institutions must be maintained. There should be no permanent President of the European Council. The Czech Republic supports the idea of a combined team and sectoral Presidency with the preservation of balanced representation of large and small EU member states, the old and new ones, the rich and the poorer ones.

Hungary

Overall deal

As far as it was possible the negotiating delegation of Hungary has made a good deal with the European Commission but has not reached all the aims set in each field.³²¹ According to the official point of view of the Ministry of Foreign Affairs unfortunately there has not been an effective cooperation amongst the so called „Visegrád Four” group (Poland, Slovakia, Czech Republic and Hungary). During the accession negotiations the present member states have always succeeded in making disorder in this cooperation.

³²¹ The information given in the Hungarian contribution mainly draws on an interview with Kolos Sipos, desk officer at the Ministry of Foreign Affairs, State Secretariat for Integration and External Economic Relations.

Financial package

Hungary is not satisfied with the fact that the payments for the new member states bargained at the Copenhagen summit have not reached the amount allocated in Agenda 2000. It is also unfair that this smaller amount is now divided between ten countries and not between six as originally agreed.

As to the structure of payments, it is, on the one hand, not convenient for Hungary that the country gets approximately half of the resources from the structural and cohesion funds if compared to the amount current member states receive now. On the other hand Hungary acknowledges that in purchasing power parity this amount is not as small as it appears first and considering the absorption capability of the country, the allocated sum of structural supports is more or less acceptable. It is convenient for Hungary that new members will have the option of supplementing direct agricultural payments with money from their national budgets; however, according to Hungary the level of the support is still low for participating in the strongly competitive EU agricultural market.

According to the official point of view Hungary will not have problems with cash flow, the Hungarian budget has enough resources for paying in advance the EU supports and for ensuring the own resources of the projects supported by the Union.

Transition periods

In summary, Hungary has achieved good deals concerning the *four freedoms*, particularly in the field of purchasing lands by foreigners (an extra three years was bargained in addition to the seven-year interim period for the limitation of purchasing agricultural lands by foreigners). The interim period for the free movement of labour enforced by the current members is also acceptable for Hungary.

During the accession negotiations Hungary has reduced its requests for interim periods in the chapter of *environmental protection* as a large number of measures have been undertaken in order to get ready by the moment of accession. It enforces Hungary to invest a huge amount in environmental protection in near term. In the

remaining fields the country achieved interim periods as a compromise and they are acceptable for the government.

With a view to competition policy, keeping the great foreign investors at its territory is a vital interest of Hungary. Thus, the government evaluates the compromise in transferring the present tax allowance system for great investors to an EU conform state aid structure acceptable. Hungary achieved that the support has not to be stopped, but that only the form of state aid has to be changed.

Institutions

The number of Hungarian MEPs as finally agreed is totally acceptable for Hungary because it will have the same number of representatives in the European Parliament than member states with a similar population. The number of MEPs offered on the occasion of the Nice summit was absolutely unacceptable and unfair.

As to the fact that the new member states will have a blocking minority in the Council during the interim period up to 31 October 2004, the Hungarian point of view is that conflicts of interest will not necessarily be between old and new members but rather between big and small or between rich and poor countries.

According to the Hungarian government it is very unfair if the next IGC will finish its work without the full right of membership of the acceding countries.

The Cyprus question

According to Hungary it is a vital interest of the two nations of the island to stop the division of the country. The poorer Turkish part needs the EU supports for consolidation and for structural reforms. Membership of the Greek part may stimulate the unification of the island.

Proceeding of the Copenhagen summit

The Danish presidency played an outstanding role in concluding the accession negotiations successful. However, its carefully planned tactics paid off and its manoeuvres split the candidate countries' unified stance, which had

been shaky in any case. Through a series of private agreements, they managed to isolate the countries that showed the most fierce resistance to the EU's package deal, thereby diminishing the weight of their arguments. This is why Hungary, was finally left on its own, and was forced to accept the Union's final offer.

Poland

Overall deal

On 13 December 2002 Poland concluded the accession negotiations. It was a crowning achievement of more than 10 years of Poland's endeavours to become an EU member. It is widely believed that the successful conclusion of the talks with the European Union was possible thanks to the strong commitment of all successive governments after 1989, the support of politicians³²² as well as the involvement of the society. In virtually all comments it has been stressed that it was an event of utmost historic importance putting a definite end to the post-Yalta division of the continent into the Western and the Eastern part of Europe. But the comments on the outcome of the accession negotiations ranged from enthusiasm to bitter disappointment. The politicians of the ruling coalition were enthusiastic about the outcome

³²² It must be stated that on 22 August 2001, a month before the parliamentary elections, the representatives of all major political parties signed the *Pact for the Integration*. In this document they pointed out that EU membership remains the top priority of Polish foreign policy. They also agreed to co-operate in the field of European affairs regardless the outcome of the elections. The ruling party or parties pledged to inform and to consult the opposition parties on the negotiations, whereas the opposition parties promised to support the government in the talks with the European Union with a view to signing the accession treaty and to participate in the impartial and unbiased information campaign, whose aim would be to gain society's support for the integration. The Pact evoked the metaphor of national football team whose members, although playing and competing in national football leagues, represent the country. Source: *Pakt na rzecz integracji*, "Wspólnoty Europejskie", nr 9, wrzesień 2001, s. 25 [*Pact for the Integration*, "European Communities", no 9, September 2001, p. 25].

of the negotiations as well as the government's negotiation strategy. This is amply demonstrated by the self-content of the Minister of Foreign Affairs, Włodzimierz Cimoszewicz, who stated that in Copenhagen the Polish negotiators "obtained all" and that "they could not get more".³²³ Also the representatives of the Polish Peasant Party (PSL) were praising the Deputy Prime Minister and the Minister of Agriculture and Food Economy, Jarosław Kalinowski,³²⁴ for "fighting for the Polish farmers".³²⁵

More reserved were the members of other pro-European parties. "A step in the right direction", "insignificant progress", "no breakthrough" were the most often voiced comments by the representatives of other pro-European parties: the Citizens' Platform (PO) and the Law and Justice party (PiS). In their opinion, Poland managed to negotiate the "threshold" conditions permitting it to become an equal partner or a "first league member" since the first day of the accession. Some far-sighted politicians warned the Polish authorities not to "rest on the laurels". Jacek Saryusz-Wolski – the former Government Plenipotentiary for European Integration and Foreign Assistance – pointed out that it is imperative to complete preparatory works: the harmonisation of Polish law with the *acquis communautaire*, the building of absorption capacities of the Polish economy, etc.³²⁶

Anti-European politicians focused on the financial aspects of the deal struck in Copenhagen. Lech Walesa, the former President of the Republic of Poland, stated that "the European Union has not paid enough for the dismantling of the communist system by Poland", although he admitted that "there is no other way" and "Poland must be in the European Union".³²⁷ Similar opinions, although different recommendations, were voiced by Jan Olszewski, the former Prime Minister, who said that the package offered by the European Union will reinforce the cleavage between "the first-class members" and "the second-class ticket holders" (to use the Baldwin's famous compari-

son³²⁸), which – in a longer term – will deepen the civilisation gap between the Fifteen and the new Member States. Such an assessment of what was agreed in Copenhagen led Olszewski to appeal to the society to reject the accession treaty in the June referendum. The same concerns and conclusions were formulated by the "Self-defence" Farmers' Trade Union whose leader, Andrzej Lepper, said that the Polish negotiators came back from Copenhagen "on a shield".

It can be seen that the quality of assessments of the outcome of the negotiations by politicians leaves a lot to be desired. First of all, it is highly publicised both in terms of the subject and the form of debate. Its main topic is establishing who is to blame for different issues, which often shifts the whole question to the dimension of morality and changes an initial conflict of interests into a conflict of values, and confrontation with a problem into a struggle for the right to exist on the political scene. In this context, it comes as no surprise that the conditions and the possibilities of solving a problem ceased to matter.³²⁹ What is more, in the evaluation of the accession negotiations, some politicians use arguments supporting the thesis that the Copenhagen provisions were a success or failure that can be easily questioned on the ground of their accuracy. For example, in the leaflets distributed by the Polish Families' League in the context of their "No" campaign one can read that Poland is likely to be a net contributor to the EU budget, as the negotiated amount of structural assistance is smaller than Poland's contribution to the EU budget and ... the deficit in Poland's trade with the Fifteen!

Secondly, in the evaluation of the accession negotiations by politicians, the effects of Poland's accession to the European Union are boiled down to the amount of financial support granted by the EU and to the length of transitional arrangements. There is a widespread fallacy that the higher transfers from the EU budget, the longer grace periods (or the shorter

³²³ Rzeczpospolita, 14 December 2002.

³²⁴ He is a PSL leader.

³²⁵ Rzeczpospolita, 14 December 2002.

³²⁶ Ibid.

³²⁷ Ibid.

³²⁸ Cf. R. Baldwin, *Towards an Integrated Europe*, London CEPS, 1994.

³²⁹ J. Hausner, M. Marody (eds.), *Social Dialog and European Integration*, EU-monitoring V, Friedrich Ebert Stiftung, Małopolska Szkoła Administracji Publicznej, Akademia Ekonomiczna w Krakowie, Cracow, 200.

in the areas important for Poland), the more significant will be the benefits from integration. Such an approach seems politically attractive and sensible at first glance. However, the aforementioned advantages of accession are, in reality, of secondary importance. They may be treated merely as instruments serving to the accomplishment of the main goal of integration, namely acceleration of growth and therefore reducing the income gap separating Poland from Western Europe. What is more, they may be not enough to derive growth benefits and – under certain circumstances – they may have an unfavourable influence. The effects of financial support from the EU obtained by Greece can serve as an example. In the years 1980-1993 Greece received transfers accounting for some 3 per cent of GDP and economic growth reached 21 per cent over this period, whereas the South Korean economy developed threefold without almost any official transfers.³³⁰

The question arises whether the assessments of the deal struck in Copenhagen influences public opinion. The opinion polls conducted by CBOS demonstrate that 46 per cent of Poles considered the outcome of the negotiation to be a success.³³¹ There were more people that welcomed the Copenhagen provisions with hope, interest and content than these who reacted with anxiety, indifference and disappointment. It can be easily seen that the assessment of the Copenhagen deal by the respondents resonates well with their political preferences and the attitude to the incumbent government.

The survey, however, reveals some inconsistencies in the assessment of the conclusion of the accession negotiations by Polish public opinion. One third of the respondents claim that it was Poland that made bigger and more important concessions. Some 40 per cent state that the costs of enlargement will be incurred by the applicant countries (including Poland) rather than by the European Union and present Member States. Half of the respondents think that the provisions negotiated in Copenhagen

will not permit to Polish farmers to compete with their EU counterparts on equal footing. Therefore, two main objectives of the Polish government (to ensure that Poland will be a net beneficiary and to guarantee the equal and non-discriminatory treatment of Polish farmers) have – in public opinion – not been achieved. Nevertheless, CBOS survey indicates that support for Polish accession to the European Union after the Copenhagen summit increased by 7 percentage points, whereas the number of opponents diminished from 22 to 18 per cent. There were also less undecided.³³² The turnout in the referendum was declared to increase.

Financial package

The financial package, consisting of 3 chapters (Agriculture, Regional Policy and Coordination of Structural Instruments and Finance and Budgetary Provisions) was one of the most controversial and highly politicised issues in the accession negotiations. For several months the stumbling blocks were the candidate countries' determination to become net beneficiaries after accession as well as the fact that the EU-15 position on financial issues (including direct payments) was not known till 24 October 2002. It was also the domain where the positions of both parties were the most divergent, which is amply demonstrated by the issue of direct payments. For months, the EU side claimed that Polish farmers are – by definition – ineligible to these payments and that Agenda 2000 did not provide for such payments for newcomers, whereas Polish negotiators were calling for 100 per cent of what farmers in the present member states get.

At the end of the day in Copenhagen, the talks centred on the amount of EU transfers. The impact of the negotiations in this field was of political rather than economic nature. Both sides wanted to go out of the talks – at least – not humiliated. As a consequence, the decisions taken were the result of political consensus and not fully satisfactory neither for present nor for new member states. The economic

³³⁰ W. Orlowski, *The Road to Europe*, European Institute, Lodz, 1998, p. 31-37.

³³¹ CBOS, *Opinie o wynikach negocjacji z Unia Europejska*, Warszawa, styczen 2003 [CBOS, *Opinions on Outcome of Negotiations with European Union*, Warsaw, January 2003].

³³² CBOS, *Poparcie dla integracji z Unia Europejska po szczycie w Kopenhadze*, Warszawa, styczen 2003 [CBOS, *Support for Integration with European Union after Copenhagen Summit*, Warsaw, January 2003].

impact of the financial deal in relative terms is negligible. It is worth recalling that the total amount of enlargement-related expenditure³³³ agreed in Copenhagen (40.81 Billion €) were merely by 5 per cent lower than the expenditures earmarked for this purpose in Agenda 2000, and by 1.2 per cent higher in comparison with the package proposed by the Brussels European Council in October 2002, which was denominated by the Polish negotiators as “unacceptable”.³³⁴ The economists argue that the main source of capital inflow to new members in the years to come will be private transfers, which are characterised by a higher marginal productivity rate. The Polish Ministry of Finance estimates that only Foreign Direct Investments inflow will amount to some 6 Billion US Dollar per year in the period 2002-2005.³³⁵

Regardless of the amount of transfers from the EU budget, which remained fairly the same, important re-allocations within the funds were agreed in Copenhagen. Although Poland will receive 25 per cent of direct payments in 2004, 30 per cent in 2005 and 35 per cent in 2006, it will have the right to top them up by 30 percentage points up to 55 per cent in 2004, 60 per cent in 2005 and 65 per cent in 2006 with rural development money and national funds. From 2007 onwards, Poland will be permitted to continue to top-up EU direct payments by up to 30 percentage points above the applicable phasing-in level in the relevant years, but in this case the financing will be entirely from national funds. To maximise the effects of those transfers, the Polish government decided to apply a simplified implementation of direct payments, which permits to grant the compensatory payments in the form of de-coupled area payments applied to the whole agricultural area. Welcoming the summit’s decision, Franz Fischler, EU Commissioner for Agriculture, Rural Development and Fisheries commented: “This is a great day for Europe – for the EU, for the candidate countries and for their farmers. The leaders of the candidate countries can

return home with their heads held high. They have achieved a farm package which is perfectly saleable to their farming community. The deal is fair, far-sighted and tailor-made for the needs of farm sectors of the ten new Member States”.³³⁶ In this context, it comes as no surprise that the Polish government announced the agriculture package as a great success of the Polish negotiation team. On the other hand, the opposition parties commented that “the European Union was not generous and the reallocation of financial resources from one application to another cannot be perceived as a success.”³³⁷

Furthermore, a Schengen facility (280 Million EUR for strengthening Poland’s external border in the years 2004-2006) has been granted. Poland obtained a temporary budgetary compensation of 1,4 Billion € to ensure that the cash flow balance is neutral or positive. However, 1 Billion € came from the commitment appropriations for the structural and cohesion funds provided for Poland for the years 2005-2006. The question, therefore, arises whether such a reallocation will serve the Polish economy well.

It is widely argued in Polish literature that it will be difficult for Poland to become a net beneficiary after accession.³³⁸ Poland’s contribution to the EU general budget, estimated at 1 to 3,6 Billion EUR, of which some 2,4 Billion € seem to be the most likely, are unconditional and compulsory. It constitutes a great burden for the state budget, for which it is not the only cost connected with membership. On the other hand, the amount of structural and cohesion

³³³ appropriations for commitments.

³³⁴ The Authors’ calculation on the basis of the Presidency Conclusions: Berlin, 24-25 March 1999; Brussels, 24-25 October 2002; Copenhagen, 12-13 December 2002.

³³⁵ Ministerstwo Finansow, *Ustawa budżetowa na rok 2003*, s. 14 [Ministry of Finance, *Budget law for the year 2003*, p. 14].

³³⁶ EU Press Release: *Enlargement and agriculture: Summit adopts fair and tailor-made package which benefits farmers in accession countries*, available at:

http://europa.eu.int/comm/copenhagen_council_20021212/index_detail_000000023_en.html.

³³⁷ Rzeczpospolita, 14 December 2002.

³³⁸ E. Chojna-Duch, *Dostosowanie polskiej gospodarki budżetowej do standardow Unii Europejskiej – problemy ostatniej fazy procesu negocjacji*, w: „Budżetowo-finansowe skutki członkostwa Polski w Unii Europejskiej”, SGH Warszawa, 2002, s. 27 [E. Chojna-Duch, *Adjustment of Polish Budgetary Economy to EU Standards – Dilemmas of Last Phase of Negotiations*, in: “Budgetary and Financial Consequences of Poland’s Membership in European Union”, Warsaw School of Economics, Warsaw, p. 27].

funds is conditional and unknown. First of all, it is highly dependent on the so-called success ratio, i.e. the ability of different stakeholders (enterprises, self-governments, etc.) to gain EU support for planned projects. It will also depend on the absorption capacities of the Polish economy. The hindrance is co-financing, which will call for – in Szlachta’s opinion – some 4,5 Billion €³³⁹ The procedure of realisation of programmes co-financed by the Structural Funds might impose some budgetary pressures, too. For example, the European Commission transfers the EU funds only when a project is actually being implemented. Prior, it makes an advance payment of 7 per cent when the programme is officially adopted. It is expected that some 1 to 1,5 Billion € will have to be mobilised in order to ensure the “smooth” financing of the projects co-financed by the Structural Funds. Some economists point out that considering the “life-cycle” of a project co-financed by PHARE “Social and Economic Cohesion” amounting to 5-6 years, it might be expected that the first structural transfers will occur after several months from accession onwards.³⁴⁰ In this context, the financial balance of Poland’s accession to the European Union is uncertain. It is believed that the real accession in financial terms will take place when the new financial framework for and by the enlarged Union will be adopted.³⁴¹

³³⁹ J. Szlachta, *Absorpcja Funduszy Strukturalnych i Funduszu Spójności w Polsce*, w: „Budżetowo-finansowe skutki członkostwa Polski w Unii Europejskiej”, SGH Warszawa, 2002, s. 11-12 [J. Szlachta, *Absorption of Structural Funds and Cohesion Fund in Poland*, in: “Budgetary and Financial Consequences of Poland’s Membership in European Union”, Warsaw School of Economics Warsaw, p. 11-12].

³⁴⁰ E. Chojna-Duch, *op.cit.*, p. 32-33 and 40.

³⁴¹ A statement expressed by Sandor Richter from the Vienna Institute for International Economic Studies at the conference: “Economic Consequences of European Enlargement” organised by CEPII le Club and WIIW with the support of CDC-IXOS Capital Markets, Vienna, 14 March 2003.

Transition periods

In public discourse on the outcome of the negotiations, the success of Poland’s talks with the European Union is often “measured” or identified with the quantity and the length of transitional arrangements. In this context, it comes as no surprise that in the incumbent government’s and ruling coalition politicians’ opinion Poland was the most successful of the candidate countries, as it managed to negotiate the longest grace periods in the biggest number of policy fields.³⁴²

The domain where the most numerous and the lengthiest phasing-ins were agreed is the *environmental protection*. This results from the fact that the costs of implementation of an ecological policy in conformity with EU standards³⁴³ are estimated to range from 14 to 39 Billion €³⁴⁴ and would constitute a great burden for all stakeholders. Although since 1989 expenditure on environment has been rising steadily and nowadays Poland spends some 3 Billion US Dollar a year (1,6 per cent of GDP³⁴⁵) for this purpose, the needs are huge. The investment outlays will have to be incurred not only by central state budget and self-governments, but also by private enterprises.³⁴⁶ Therefore, Poland called for 14 tran-

³⁴² Rada Ministrów, *Raport na temat rezultatów negocjacji o członkostwo Rzeczypospolitej Polskiej w Unii Europejskiej*, Warszawa, grudzień 2002, s. 46-47 [Council of Ministers, *Report on Outcome of Negotiations on Republic of Poland’s Membership in European Union*, Warsaw, December 2002, p. 46-47].

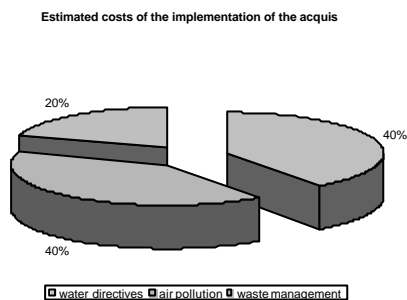
³⁴³ Pełnomocnik Rządu ds. Negocjacji o Członkostwo RP w Unii Europejskiej, *Stanowiska Polski w ramach negocjacji o członkostwo Rzeczypospolitej Polskiej w Unii Europejskiej*, Warszawa, czerwiec 2000, s. 316 [Government Plenipotentiary for Membership Negotiations of the Republic of Poland with the European Union, *Poland’s Positions in the Membership Negotiations of the Republic of Poland with the European Union*, Warsaw, June 2000, p. 316].

³⁴⁴ Its sectoral decomposition is shown in the chart.

³⁴⁵ 1998 data. Source: Rada Ministrów, *Druga polityka ekologiczna państwa*, Warszawa, czerwiec 2000, s. 7 [Council of Ministers, *Second State Environmental Policy*, Warsaw, June 2000, p. 7].

³⁴⁶ Some studies attempt to allocate the costs of environmental *acquis* to the sectors of economy. For example, it is estimated that in the water sector, 53% of costs will be met by paper industry, 25% by the non-organic chemical industry, 12% by the

sitional arrangements for the implementation of some EU directives or their parts, 9 of them being granted (see the table below).



Source: W. Orłowski, A. Mayhew, *The Impact of EU Accession on Enterprise Adaptation and Institutional Development in the Countries of Central and Eastern Europe*, “SEI Working Paper”, No. 44, Sussex European Institute, 2001.

Transitional arrangements on:	Until:
Sulphur content of liquid fuels	2006
Emission of volatile organic compounds from storage of petrol	2005
Recovery and recycling of packaging waste	2007
Waste landfills	2012 (instead of 2009 for Member States)
Shipment of waste	2007
Treatment of urban waste	2007
Discharges of dangerous substances into surface water	2007
Integrated pollution prevention and control	Until 2010 (instead of 2007 for Member States)
Health protection of individuals against ionising radiation in relation to medical exposure	2006

Source: *Uniting Europe*, no 215, 20/1/2003, p. 6.

Another policy-area, where the immediate adoption of the *acquis* is expected to have significant financial implications is the *competition policy* or rather one of its aspects, namely the special economic zones (SEZ). By virtue of

fertiliser industry and 5% by organic chemicals. In air pollution control the total investment costs, estimated at 3bn EUR, will be borne mostly by power generation industry (75%). In waste management, non-ferrous metals, non-organic chemicals and power generation are expected to be affected the most seriously. Source: W. Orłowski, A. Meyhew, *op.cit.*, p. 30.

the *Law on Special Economic Zones* of 1997 investors were being granted different reliefs and exemptions, such as operating aid, accelerated depreciation of fixed assets or export aid. Moreover, the state’s support for undertakings in SEZ was violating EU aid ceilings and was not transparent. What is more, some SEZ were located in the areas ineligible for regional assistance. In this context, it comes as no surprise that the Law was deemed inconsistent with the *acquis*. In January 2001, the amendments to the statute were introduced bringing the fiscal aid granted in the Zones into line with EU regulations. However, the legal adjustments have not resolved the issue of existing tax benefits granted in the SEZs, which constituted an important stumbling block in the accession negotiations. In November 2002 it was agreed that:

- the country has until the end of 2010 and 2011 to phase-out incompatible fiscal aid for medium sized and small enterprises respectively,
- as regards incompatible fiscal aid to large enterprises, Poland has to converse these aids into regional investment aid. This aid will be limited to a maximum of 75 per cent of the eligible investment costs if a company has obtained its permit before 1 January 2000 and to 50 per cent if a company has obtained it after January 2000,
- aid ceilings for car manufacturers will be held at 30 per cent, until the end of 2010.³⁴⁷

It is difficult to assess the outcome of negotiations in this policy-areas. The negotiators claim that thanks to the exemptions from the state aid rules, Poland will be one of the most investment-friendly countries in the enlarged European Union. On the other hand, one must bear in mind that the reliefs are available only to those who have set up companies in the Zones before 2000. Hence, it is not legitimate to state that they will constitute business incentives in the future. What is more, the transitional periods reach the years 2010-2011, whereas some exemptions granted by virtue of the “old” *Law on Special Economic Zones* will expire in 2017. Therefore, the government is likely to be claimed indemnities by the investors losing their rights.

³⁴⁷ *Uniting Europe*, no 215, 20/1/2003, p. 4.

A 12-year *transitional period for agricultural and forest land* and 5-year *transitional period on secondary residences* have not calmed public opinion's fears about the buying-out of Polish real estate, as so far the Polish Parliament has not adopted the statute, amending the *Law on purchasing land by foreigners* of 1920 (sic!) that would protect Polish political, social and economic interests and that would be non-discriminatory at the same time. As a result, some political parties (anti-European ones such as the Polish Families' League and the Self-defence, but also the Polish Peasant Party, the former coalition partner of the Democratic Left Alliance) threatened to convince their electorate not to vote for EU membership.

Another controversial issue has been the *free movement of workers*. It is worth recalling that a flexible solution was agreed (2+3+2-year transitional period).³⁴⁸ Poland has welcomed the declarations by some countries (Sweden, Denmark, Ireland, Greece and Great Britain) to open their labour markets for newcomers immediately after accession. Some member states (Italy and France) declared that they will liberalise access to their labour markets after two years.

The government managed to negotiate some *sectoral transitional arrangements*. For instance, the EU has accepted an interim period until 31 December 2008, concerning the renewal of marketing authorisation for pharmaceuticals. It was agreed that licences for medical devices issued under the current Polish legislation will remain valid till 31 December 2005. These are the only exceptions from the free movement of goods, but of outstanding significance for Polish ailing pharmaceutical industry. Sectoral transitional arrangements are of minor importance for the well functioning of the Internal Market, but they are expected to ease the pressure of adaptation.

One of the toughest negotiation chapters concerned agriculture.³⁴⁹

Institutions

³⁴⁸ For more details see: Enlargement/Agenda 2000 Watch, no 5, 2002, p. 76-77.

³⁴⁹ For more details see the paragraph on the financial package agreed in Copenhagen.

While summarising the state of debate (including the official positions, experts' stance and public opinion) about the EU institutional system in Poland, one should be aware of the fact that the EU-related debate takes place in rather specific circumstances. The debate on reforms of the EU, and more specifically the debate about those issues being the primary interest of the Convention, are currently overshadowed by the more immediate and general issues regarding Polish membership in the EU.

In the light of the June referendum and membership at stake, public debate (including the political parties and general public views) is currently more a discussion about the general stance towards accession than the reflection of the future shape of the Union. Politicians of all provenience and the general public are preoccupied with analysing the potential benefits and threats that membership in the EU may bring about in both economic and political terms (direct payments, the Polish contribution to the EU budget, the assessment of the accessions negotiations and – last but not least – the question of sovereignty), thus “setting aside” the issue of institutional reforms.

This situation results in a rather mean public discussion over the reforms of the Union, including the future shape of institutional architecture of the EU. This is true not only for the general debate but also for the attitudes presented by the Polish members of the Convention. Neither the Parliamentary representatives nor the Government member present – at least by the end of 2002 – a comprehensive and explicit picture of Polish views on the future institutional arrangements, with the Government representative having presented by far more concrete proposals than her parliamentary counterparts.³⁵⁰ With some of the statements representing “personal remarks” only, the situation is still not absolutely clear as to the precise stance of Poland towards the institutional reform issues.

With the discussion concentrating more on general results of the Copenhagen deal, the institutional debate in Poland seems rather fragmented with the input provided mostly by experts in EU issues, Government's representatives and politicians from the parties within and outside the Polish Parliament,³⁵¹

³⁵⁰ See: collection of statements and contributions to the Convention's sessions by Polish Members accessible on www.futurum.gov.pl.

and outside the Polish Parliament,³⁵¹ with less interest – for the time being – on the part of the general public.

A poll conducted in March 2002 reflects the little awareness of the Convention's functioning as such with 69 per cent of respondents answering "no" when asked about being aware of the establishment of the EU Convention (28 per cent answering "yes").

The level of knowledge about the Convention's establishment varied considerably among representatives of various social groups (educational census) with a majority (61 per cent) of respondents with university degree being aware of it, but only 14 per cent of those with elementary education.³⁵²

This seems to be combined with a relatively low level of awareness of EU-related issues with 62 per cent of Poles feeling not very well or not at all informed about enlargement and 63 per cent not very well or not at all informed about their country's accession process.³⁵³

Moreover, among the reasons for supporting accession the respondents most often mention a potential decrease of the unemployment rate in Poland and better opportunities for finding a job³⁵⁴ – which means that the more "immediate" and personal motives tend to take priority over those related to Poland's participation and relative strength in the EU institutional setting.

As regards the discussion on the political scene, there is – similarly to public debate – more preoccupation with general issues, with a clear-cut division between the parties supporting and those opposing Polish membership as such.

³⁵¹ Many of these contributions to the debate are accessible on the www sites of Institute of Public Affairs (www.isp.org.pl), Centre for International Studies (www.csm.org.pl) and www.futurum.gov.pl.

³⁵² Source: CBOS, *Aktualne problemy i wydarzenia*, Warszawa, marzec 2002 [CBOS, *Current Problems and Developments*, Warsaw, March 2002].

³⁵³ European Commission, *Candidate Countries Eurobarometer*, Report Number 2002.2, The Gallup Organisation, Hungary, December 2002.

³⁵⁴ CBOS, *Motywy poparcia lub odrzucenia integracji*, Warszawa, styczen 2003 [CBOS, *Motives for Support or Objection towards Integration*, Warsaw, January 2003].

The parties supporting accession (mainly the Democratic Left Alliance, the Labour Union and the Citizens' Platform) seem to concentrate a bit more on concrete information about (among others) the institutional setting of the Union as well as about constitutional arrangements and their role for the future of Poland as demonstrates their participation in a number of initiatives, including information provided via meetings and www sites.

On the other hand the parties that clearly declare scepticism towards membership tend to concentrate on the following issues:

- negative influence of integration on Polish industry;
- making Poland a mere sales market for the EU;
- unfair conditions for Polish agriculture;
- unfairness of the overall Copenhagen deal;³⁵⁵
- potential loss of sovereignty within the EU structures;
- fears over the sales of land to other EU nationals.³⁵⁶

In addition to that we can observe little public interest in information about the EU – with very small numbers of people using the information points that were created recently in the context of the governmental pre-referendum information campaign.³⁵⁷

While looking at the messages posted on the www chat opened to the public on the Polish Convention site, it is clear that the debate there also concentrates on the above mentioned "general" issues regarding Polish accession (yes/no; costs/benefits) rather than on more specific issues, including those concerning institutional problems, thus reflecting the state of general public debate.

Such a situation currently seems to create rather less favourable conditions for the debate among the general public on the EU institutional framework, which will hopefully be overcome by means of the pre-referendum

³⁵⁵ with some right-wing parties representatives claiming the necessity of re-negotiating the Copenhagen deal – see: Polska Agencja Prasowa (PAP): www.pap.com.pl on 14 December 2002.

³⁵⁶ Comp. : statements by leaders of e.g. Polish Families' League and Self-Defence, ww2.lpr.pl or www.samoobrona.org.pl.

³⁵⁷ recent media coverage.

campaign and at later stages of the pre-accession process.

According to Charles Grant, the Director of the Centre for European Reform in London, Poland's moderate position before Copenhagen is the result of an approach of "non-antagonising" and concentrating efforts on accession to the EU. Once the date and conditions of entry are known, Poland should adopt more active stance towards the issues subject to Convention debates.³⁵⁸

Distribution of seats in the European Parliament: The satisfaction with the results of the Nice Summit seems to have been largely "consumed" in the early post-Nice period. With a population comparable to that of Spain, Poland – after the robust intervention of Prime Minister Buzek – managed to secure a representation in the Parliament and a quota of votes in the QMV system on the level satisfying its aspirations. The results – including the latest decisions following the Nice arrangement regarding the distributions of seats in the EP of the EU-25 – were welcomed in Poland as an unquestionable success.

The solutions adopted by means of the Protocols annexed to the Nice Treaty were the ones meeting the Polish position from before the Nice Summit: strengthening partnership in the Union and balancing the interests of big, medium-sized and small member states ("old" and "new"), taking into account the demographic factor in setting the arrangements for the distribution of seats.

The linear reduction of seats alongside the maintenance of the "degressive proportionality" formula meets the Polish position, advocating both maintaining the "operationality" of the European Parliament combined with the appropriate representation of new member states in EU institutions, being of key importance to the candidates.³⁵⁹

Role of the European Parliament and National Parliaments: The Polish representatives to the Convention advocate the strengthening of le-

gitimacy³⁶⁰ and the role of the European Parliament in the EU institutional triangle via:

- extension of co-decision to all matters subject to QMV in the Council;
- extension of EP's role in the budgetary process (alongside the review of distinction between compulsory and non-compulsory expenditure);
- creation of uniform electoral procedures;
- involving sectoral committees of national parliaments to works of relevant EP committees; with securing better access of national parliaments to relevant documentation by policy initiators;
- strengthening of COSAC mechanisms.³⁶¹

Presidency system and the question of elected Chairman of the European Council: The statements by Polish Convention members support the maintaining of the rotating presidency system (though with possible extension of the presidency's term in office to 2-2½ years, combined with the group presidency and the Chairman of the European Council to be proposed by those group presidencies.

In the opinion of the Polish Minister, the rotating presidency system brings each time new dynamics to the negotiations within the Council, while the member states' citizens have an opportunity to take active interest and identify themselves with the integration process. The combined group presidency and elected European Council chairman concept can appropriately secure the stability and cohesion of the system.³⁶²

³⁶⁰ an issue very important for public perception of integration in the candidate countries, See: Centrum Stosunkow Miedzynarodowych, *Rola parlamentow narodowych w procesie decyzyjnym UE*, Raporty i Analizy, nr 2/03 [Centre for International Relations, *Role of National Parliaments in EU Decision-making Process*, Reports and Analyses, No. 2/03, Warsaw 2003] available at: www.csm.org.pl

³⁶¹ Contribution by Danuta Hübner, member of the Convention "The Role of National Parliaments" on 7 November 2002 and other statements by Polish Convention Members, www.futurum.gov.pl.

³⁶² see: Contribution submitted by Danuta Hübner, member of the Effective Management in the Enlarged European Union on 12 February 2003) and other statements by Polish Convention Mem-

³⁵⁸ Interview for PAP, London, 16 December 2002.

Source: www.futurum.gov.pl.

³⁵⁹ See: *Traktat z Nicei - polski punkt widzenia [Nice Treaty – Polish Viewpoint]*, Warsaw, 15 February 2001. Source: www.futurum.gov.pl.

Decision-making mechanisms in the Council: As regards decision-making, the QMV is seen as a prerequisite, together with linking co-decision with all areas subject to QMV in the Council.³⁶³

The blocking minority in the Council in the transitional period: The transitional arrangements for QMV in the Council cover a relatively short period of time and Poland – having secured its strength as equivalent to that of Spain³⁶⁴ – does not seem to object the arrangements provided for by latest decisions regarding the distribution of votes within the QMV system.

With regard to the timing of the next IGC and its mandate Poland supports the views that the Conference's mandate should endorse the reforms to be agreed in the Convention's forum and address additionally those issues that remain unsolved after the completion of the Convention's work, on condition that full participation of new members in the IGC is allowed.

According to the Polish view the IGC should be convened in 2004. This position was voiced many times by major personalities involved in the integration process in Poland – the Prime Minister (speaking to the Polish Parliament on 18 December 2002), the Minister of Foreign Affairs, who warned about the potential difficulties in ratification of the Constitutional Treaty in the case of non-participation of Poland in the IGC with full voting rights.³⁶⁵

The same worries were present in the statements by Minister Danuta Hübner, who stressed that it would be difficult to explain to Polish citizens that they had to approve a Treaty that had been negotiated just before Poland's accession. Therefore the Union should – according to the Minister – grant the full voting right to the candidates or postpone the IGC until a post-accession date.³⁶⁶

bers, www.futurum.gov.pl; www.pap.com.pl Convention session, 4 April, 2003.

³⁶³ Ibid.

³⁶⁴ which used to be the major concern of Poland in relation to distribution of votes in the Council.

³⁶⁵ „Rzeczpostolita”, 14 December 2002, www.rp.pl.

³⁶⁶ „Gazeta Wyborcza”, 18 November 2002, www.gazeta2.pl.

Similarly, the Parliamentary members of the Convention (Sen. Edmund Wittbrodt – a member of the Convention and Sen. Genowefa Grabowska, an alternate member) voiced their stance towards the timing and participation on new members in the IGC by signing the Contribution presented to the Convention by Mr Peter Balazs.³⁶⁷

The declaration – stressing that “the IGC should not be finished before the ratification process comes to an end in all current Member States”, that the new states actually become full fledged members themselves and that “after 16 April 2003 the ten new countries should obtain equal status with the current members of the Convention as well [...], which would provide legal clarity, but above all, [...] would have a major political and symbolic significance, contributing to the success of the referendums on accession” – comes fully in line with the Polish standpoint, regarding the timing and the participation of new members in the IGC.

The Cyprus question

The Cyprus question is not a subject to political debate in Poland and one can hardly imagine any circumstances that could make the Polish government to take a clear position on that issue. No direct Polish national interest is involved in the problem in question and – being still a candidate state – Poland has nothing to gain in taking Greek or Turkish side in the debate. All those reasons enable us only to guess some possible sympathies that may shape Polish policy towards that issue.

The factors one should take into consideration are as follows: With regard to Turkey,

- The Cyprus question is interesting for Poland only as a subject of Turco-Greek relations and as far as its consequences for the cohesion of the EU and NATO are concerned. Apart from that the question itself has only moral and academic interest for Poland;
- Turkey is an important ally of the US situated in an important region bordering the Middle East, the Caucasus, and the Balkans simultaneously;

³⁶⁷ CONV 566/03, CONTIB 252; source: www.futurum.gov.pl.

- Poland wants to be perceived as an important US ally in Central Europe;
- Poland and Turkey have a lot of common interests in the security dimension (the independence of Ukraine, the containment of Russian policy of reintegration of the post soviet territory, the maintenance of a strong position of the USA in the European security structures);
- Poland and Turkey co-operated in negotiations on the modifications of the CFE treaty in mid 1990s.

With regard to Greece,

- it is perceived as a country where anti-Americanism in public opinion is one of the largest in the EU.
- Greece supports the present Franco-German coalition aiming at the reduction of American influence in Europe by replacing it by the co-operation with Russia. This is contrary to the vital Polish national interests. Poland does not want to support the reintegration of the post-Soviet area under Russian control. Such a scenario is far more probable if a Franco-German tandem co-operating with and supported by Russia would decide on the European security architecture, than if the system would be dominated by the US.

To conclude, Turkey is perceived as a more attractive and more powerful country than Greece. Thus, one should not expect active Polish support for any solution of the Cyprus question objected by Ankara. On the other hand it is Greece that is a member state of the EU and not Turkey so Poland has no interest in opening any area of tension with Athens. The result is that the Polish state has no clear position in the Cyprus question and one should not expect Poland to have one.

Proceeding of the Copenhagen summit

Assessing the proceeding of the Copenhagen summit, one must appreciate the active role of the Danish Presidency, and especially the charisma and the determination of Prime Minister Rasmussen, which was of paramount impor-

tance to the successful conclusion of the accession negotiations. One has to underline the political will and the strong commitment of all member states, especially France and Germany to reach consensus on the conditions of the “big bang” enlargement.

Slovenia

Overall deal

In Slovenia, the conclusion of the accession negotiations with the European Union (EU) is perceived as highly positive and as a successful coupling of Slovenian interests with the demands of both the *acquis communautaire* and the member states of the EU.³⁶⁸ The assessment takes into account the objective elements of the outcome of the negotiations as well as more subjective, internal elements, concerning the impact of negotiations on the domestic perception of Slovenian membership in the EU. As for the latter, the internal developments and preparations for membership parallel to the negotiation process are seen very positively. The Confederation of Free Trade Unions of Slovenia, though content with the overall deal, questions the actual capabilities of Slovenian institutions to implement the *acquis communautaire* and to carry out the obligations of the accession treaty.³⁶⁹ The dif-

³⁶⁸ This view is shared by all persons surveyed for this contribution. If no other sources are explicitly mentioned, the information given in the Slovenian report draws on interviews with the Office of the Government for European Affairs (hereafter referred to as the Government), the oppositional Social Democratic Party and the Coalition Slovenian People’s Party, the Chamber of Commerce and Industry of Slovenia and the Confederation of Free Trade Unions of Slovenia.

³⁶⁹ Though the last Regular Report on Slovenia’s progress towards accession of 9 October 2002 was very positive for Slovenia (with the exception of Slovenia, all other candidates were late in their carrying out of certain duties), this does not mean that Slovenia is not facing some problems in this respect. Even though Slovenia has committed itself to fully harmonise its legislation with the *acquis* by 1 January 2003, it has not managed to do so entirely (by December 2002 only 68 % of its legislation have been harmonised with the *acquis*). It is at the level of the secondary executive acts that a delay

ferences between individual candidate states in the overall deal of the accession negotiations are perceived as a result of differences among the candidates. In this respect, the exclusion of certain specific issues (such as the question of nuclear safety) from the negotiation process – though demanded by some member states – is seen as an achievement. There is widespread consensus on the undisputable success of the negotiations in terms of their transparency. The Slovenian public has been well informed about the negotiation process and its results, which is assumed to have contributed very positively to the result of the referendum on accession to the EU.³⁷⁰

Financial package

There is a consensus that the financial package agreed between the EU and Slovenia is favourable, in both the short and the long term. The financial package as decided upon at the 2002 Copenhagen summit assures that Slovenia will be a net-recipient in the period following the accession, that means at least until 2006. At the same time, it represents a good basis for the next financial framework (2007-2013). The most important aspects of the financial package that are perceived as a good basis for the continuation of the Slovenian position as a net-recipient from the EU budget are: (a) In the area of agriculture, the combination of EU funds with a partial co-financing of direct payments from the national budget,³⁷¹ (b) the financial means conceded for the development of rural areas, (c) co-financing of the Schengen

has been caused in the fields of agriculture, environment, free movement of goods, services and capital, transport, consumer safety, taxes, judiciary system and internal affairs.

³⁷⁰ The referendum was held on 23 March 2003. 89.64 per cent of the votes cast were in favour of Slovenia joining the EU. The turnout was 60.4 per cent and invalid votes cast did not count. Taking these two facts into account, the support for the membership is much closer to 54 per cent as reflected in the public opinion polls – see the answers under point 6.

³⁷¹ The contractual partners were satisfied with this arrangement, but the problem is how to ensure these finances in the national budget that will already be affected by the outfall of customs duties due to EU accession, smaller economic growth and the endeavours to remain within the 3 per cent deficit as set by the Maastricht criteria.

border and (d) the move towards the possibility of regionalisation of Slovenia (and therefore the eligibility for financing from the cohesion funds). All respondents surveyed for this contribution agree that even when EU subsidies for the same policies are lower in Slovenia than in other candidate states, this is a logical consequence of the relatively higher level of development of Slovenia. Though content with this arrangement, the Social Democratic Party, the Slovenian Confederation of Free Trade Unions and the Chamber of Commerce and Industry of Slovenia recognise and stress the need for institutional regionalisation of Slovenia, as well as for a carefully prepared negotiating position for the next financial period in order to maintain the status of net-recipient.

Transition periods

With a view to lowering the expectations of the Slovenian public to evaluate the success of the negotiations in terms of the agreed transition periods, and to be prepared to the best of its abilities to join the EU, the Slovenian Government only called for those transition periods during the negotiation process which it deemed most essential. In this respect the achievements of the negotiations are widely perceived as favourable, with the sole exception of the arrangement in the case of free movement of labour. It is the opinion, widely shared among all respondents interviewed for this contribution, that the horizontal transition period in this area is not necessary in the Slovenian case. Yet, the successful claim for mutual arrangement of this transition period is perceived as the best possible to negotiate. The safety clauses are seen problematically to assess, as they remain unclear with a view to their substance as well as to the modes of their utilisation. As regards the safety clauses, the Government believes that it could have achieved better arrangements.

Special concessions granted to some of the other candidate states are seen, by the Government, as a result of their endeavours in defending the negotiating position, which they deemed important and needful.

Institutions

According to the interviewed officials, the institutional arrangements as negotiated at the

2000 Nice summit are reasonable and favourable. They agree, though, that the results of the European Convention shall determine the institutional arrangements for the future of the Union and that Slovenia should actively participate in its work in order to protect its interests. By contrast, the Confederation of Free Trade Unions of Slovenia stresses the importance of seeking for informal channels of influence in order to successfully represent Slovenian interests in the EU.

The Cyprus question

The approach towards the solution of the Cyprus question is perceived as adequate. Still, all interviewed officials express their hope that a durable solution can be found even before the accession of the island to the Union.

Proceeding of the Copenhagen summit

The 2002 Copenhagen summit is generally considered as highly successful and the role of the Danish Presidency as crucial and extremely positive (especially in the light of Denmark being a small country, what has in this case been presented as a model of smaller countries' opportunities and capabilities in the EU). Not only were the negotiations with the candidate states concluded, but Slovenia also negotiated favourably its financial package. The solutions with regard to Turkish candidacy and the decision to open accession negotiations, on condition that Turkey fulfils the Copenhagen political criteria until December 2004, are perceived as adequate and analogous to the process established for the rest of the candidates currently on their way to full membership in the Union.

2. Do you expect problems in view of

- **ratifying the accession treaty in your country?**
- **the time tables for ratification of the accession treaty and the convention process and next IGC?**

Czech Republic

The Czech Ministry for Foreign Affairs (MFA) does not expect that any EU member would fail to ratify the Accession Treaty. On the other hand, opposition of individual deputies, as the voting behaviour in the European Parliament has shown, can be expected.

In the Czech Republic the Accession Treaty will have to be approved in a referendum which will take place on 13-14 June 2003. As the situation seems at present, no major problems are expected with a view to the referendum, although an unpleasant surprise cannot be ruled out completely. According to a March 2003 survey of CVVM (Centre for Public Opinion Research), 80 per cent of the Czech citizens intend to participate in the referendum on EU accession. According to this survey, 59 per cent of respondents would say yes to the entry into the Union, 22 per cent would say no, and the rest is still undecided. In this respect, it is worth mentioning that estimates of participation in elections in the Czech Republic are regularly higher by roughly 10 per cent than is later the actual number of people really voting. Despite this, most analysts do not expect that participation in the referendum could fall below 50 per cent as it recently happened in Hungary. According to a survey by TNS Factum from the beginning of April 2003, around 70 per cent of eligible voters would participate in the referendum. Of them, 77 per cent would vote in favour of EU accession. The outcome of the referendum can be partly influenced by the fact that the Communist Party of Bohemia and Moravia (KSCM) has recommended its electorate to vote against the Czech Republic's entry into the EU, despite the fact that a significant part of the intellectual elite of the KSCM is in favour of accession.

The Czech MFA does not see substantial problems with respect to the timetables for ratification of the Accession Treaty and the Convention process. As far as the next IGC is concerned, the MFA perceives that the Italian Presidency in the second half of 2003 intends to deal with a “double challenge” – the enlargement and the institutional reform. Italy wants to start the IGC in autumn and to conclude it by December 2003. The Czech Republic understands the symbolism of the process “from Rome to Rome”, similarly as there was the same kind of symbolism in the process “from Copenhagen to Copenhagen”. However, it is a natural interest of the Czech Republic that the IGC should be concluded after the Czech Republic will become a full member of the EU. The Czech Republic has not shared the opinion that it would be convenient to start the IGC right after the conclusion of the activities of the Convention. Besides the fact that the Czech Republic would in this case not participate in the IGC on an equal footing, the Czech Republic fears that early convocation of the IGC would send a rather negative signal to the public in the candidate countries in the sense that member countries are rushing to decide everything as soon as possible before new member states will have the right to influence the decision-making process.

Hungary

All parties in the Hungarian Parliament support EU membership. Thus, no problems can be expected concerning the ratification of the accession treaty in Hungary.

Also with a view to the ratification process in the other (old and new) member states, no Hungarian worries have been expressed. As most political forces in Europe support enlargement, ratification is expected to be concluded before 1st May 2004.

Poland

On 17 April 2003 the Polish Sejm, the Lower Chamber of the Parliament, adopted the deci-

sion that the accession referendum will take place on 7-8 June this year. To increase the attendance, it was decided – for the first time after 1989 – that the referendum will last for two days.³⁷² Different technical aspects such as the extremely simple question or the campaign for participating in the referendum, or the ban by the Polish Electoral Office to reveal the turnout after the first day of the voting in order not to discourage the citizens to participate on the second day³⁷³ are to foster a positive outcome.

The information campaign has reached its momentum. Apart from the incumbent government and the President, other institutions such as “Citizen’s Initiative. Yes for referendum”, which was specially created for the European information campaign, and other non-governmental organisations and some prominent opposition politicians have launched pro-European campaigns. More and more personalities of great calibre enjoying social trust and admiration (from Jan Nowak Jezioranski to Adam Malysz) are involved in the “crusade”. All these actions serve to win public support for EU membership. Although the opinion polls show the idea enjoys public approval, there is still a lot to be done.

Slovenia

The process of ratification of the accession treaty in Slovenia is by none of the interviewed officials considered as a problem. There is widespread consensus between all political parties represented in the Slovenian Parliament as regards accession to the EU. This view is also deeply encouraged by the results of the accession referendum held in March 2003, which has shown an overwhelming support for membership by the Slovenian electorate.

The Social Democratic Party and the Chamber of Commerce and Industry express their concern regarding the time lag that might occur in ratifying the accession treaty in the EU member states due to the complexity of the ratification process (for example in Belgium).

³⁷² Rzeczpospolita, 18 April 2003.

³⁷³ Rzeczpospolita, 23 April 2003.

The Government considers the time-tables for ratification of the accession treaty, for the European Convention and for the next Intergovernmental Conference (IGC), important insofar as it will influence the status of the acceding countries at the European Convention and the IGC. According to the Laeken Declaration the candidate states will be “fully involved” in the work of the Convention, although they will not be able to prevent any consensus among the member states. Similarly, the Conclusions of the Presidency at the 2002 Copenhagen summit state that the new members will “participate fully” in the next IGC. The Slovenian Government understands this diction as guaranteeing full involvement at the IGC in all its stages, with an equal right to co-decide and co-sign the Constitutional Treaty. In the practice of the Convention, the candidate states’ representatives work equally among other representatives and, as the formal voting procedures do not take place, the absence of a veto right for the candidate states is only a question of formality. If the IGC would work on a similar basis, it shall be of little importance if the next IGC will conclude before or after accession. However, since the conclusions of Intergovernmental Conferences are formally adopted by unanimity, the importance of the next IGC’s time-table cannot be neglected. In this respect it is in the interest of Slovenia, that – in accordance with the Declaration on the Future of the Union – the next IGC will only start in 2004. The Government stresses, though, that the interpretations on the right to vote are not straightforward with a view to the IGC are not unambiguous.

3. Are there special interests and concerns with regard to the continuation of the accession negotiations and the enlargement policy of the EU? Please comment on

- **the perspectives for the candidates Bulgaria and Romania**
- **Turkey**
- **other probable candidates, like Croatia**

Czech Republic

Bulgaria and Romania

As far as the accession of Bulgaria and Romania is concerned, the position of the Czech government is fully in line with the conclusions of the December 2002 Copenhagen summit, where the goal to welcome both of these countries in the EU in 2007 has been expressed. There are some doubts in the Czech academic circles that these two countries will really be ready for accession in 2007, but even there it is believed that Bulgaria and Romania will be able to join the Union by 2010 at the latest.

Turkey

The Czech Republic observes with great attention the development in Turkey regarding its efforts to join the EU. The Czech Republic supports Turkey in its reform process. In this respect, the Czech view is in line with the conclusions of the Copenhagen summit. Among Czech experts there are many doubts about a Turkish EU membership in the foreseeable future, mainly because of the difficulties with regard to the Kurdish problem whose solution is nowhere in sight. At the same time, it is obvious that it will not be easy for Turkey to fulfil not only the political but also the economic Copenhagen criteria in the near future.

Other probable candidates

In general, the Czech Republic fully supports the engagement of the EU in the Western Balkans by means of the Stabilization and Asso-

ciation Process. The Czech Republic believes that simultaneously with the coming enlargement the region of South-eastern Europe should get a real feeling of its European perspective. The Czech Republic is convinced that if the countries from this region become politically stable, advance sufficiently in their economic reforms and will show the ability to fulfil the Copenhagen criteria, then European integration becomes a reality for them.

Croatia has already expressed its will to join the EU in 2007 together with Bulgaria and Romania. The Czech Republic supports the reforms which are currently taking place in Croatia. Czech analysts are aware that Croatia is by far the most developed and richest country from the group of five countries of the Western Balkans (Croatia's average wage level is higher than that of the Czech Republic but so is its price level) and probably the only one which has a chance to join the Union in a relatively near future. However, they are rather sceptical about the possibility of Croatia joining the EU in 2007 together with Romania and Bulgaria (if it really takes place in that year) because both of these countries have already advanced significantly in their negotiation process. From this point of view, it would be very difficult for Croatia to catch up with them. At the same time, more progress is needed both in economic reforms and in strengthening democratic institutions. Improvement in cooperation with the tribunal in The Hague would be also highly desirable.

Hungary

Bulgaria and Romania

There is a big Hungarian minority in the territory of Romania so its accession to the EU is an important interest of Hungary especially in the aspect of the Schengen Agreement.

Turkey

There is no specific Hungarian interest in Turkey's accession to the EU. Regarding the political and cultural differences from many current and future member states, it will be very

difficult to integrate Turkey in the short or medium term. That is why Hungary thinks that Turkish membership could become a reality only in the long run.

Other probable candidates

Hungary and Croatia have strong historical relations, so Hungary encourages EU membership of Croatia. There are some economic interests too, for example the nearest coast from Hungary is in Croatia.

Poland

Bulgaria and Romania

Just before the Copenhagen summit one significant information appeared in one of the biggest dailies, "Gazeta Wyborcza", with regard to future enlargements. It was stated that EU member states and candidate countries are going to present a common position on the roadmap for Bulgaria, Romania and Turkey so that Romania and Bulgaria could become members in 2007 and Turkey could start its accession negotiations in 2005.³⁷⁴

The second significant statement was made after the EU summit in Brussels (March 2003) by Polish Prime Minister Leszek Miller, who expressed Poland's position on the question of future enlargements of the European Union. He said that "the historical process of EU enlargement can not be interrupted by current events, mostly by the Iraqi crisis".³⁷⁵ This means that Poland, as an accession country, is open for future enlargements. Already before, the meeting of the presidents of national parliaments of the Visegrad Group's countries took place in Budapest in January 2003. The

³⁷⁴ Gazeta Wyborcza, *Wspolne stanowisko Pietnaski i kandydatow w sprawie Turcji*, 13 grudnia 2003, [Electoral Gazette, *Common Position of the Fifteen and Candidate Countries on Turkey*, 13 December 2002].

³⁷⁵ Statement by Polish Prime Minister, Leszek Miller, made on 21 March 2003 in Brussels. Source: Polska Agencja Prasowa (PAP) [Polish Press Agency] Web site: <http://www.pap.com.pl>.

Marshal of Sejm,³⁷⁶ Marek Borowski, said that “the Visegrad Four should support the pursuit of Romania, Bulgaria, other Balkan countries and Ukraine on their way to EU membership”.³⁷⁷

Turkey

With regard to Turkey, the Polish Minister of Foreign Affairs, Włodzimierz Cimoszewicz, said that he, personally, did not see any circumstances that could provoke Poland’s negative position concerning Turkish accession to the European Union, if Turkey fulfils all membership criteria.³⁷⁸ The stance on Turkish accession was confirmed by the Prime Minister, Leszek Miller, during his official visit in Ankara on 6-7 April 2003. He stated that Poland supports the candidature of Turkey and will share its experience that may be useful for Turkish partners on their way to the EU. He also said: “Just like Turkey supported Poland’s membership in NATO, Poland supports Turkey’s membership in the European Union”.³⁷⁹

Other probable candidates

Concerning the Croatian application, Poland welcomes its efforts on the way to EU membership. During his official visit, the President of the Republic of Poland, Aleksander Kwasniewski, expressed his “full support for Croatia on its way to Europe”.³⁸⁰ He encouraged the country to join the Central European Free Trade Area (CEFTA) and added that CEFTA membership could help Croatia to increase the dynamics of economic and political relations

with both CEFTA countries and EU members states.³⁸¹

Slovenia

As to further enlargements of the EU, the Slovenian Government as well as other interlocutors for this contribution support the accession of Romania and Bulgaria. Further accessions need to be based on the same criteria (as agreed in Copenhagen in 1993) as they hold for the current accession countries. This applies to Turkey, as well as to Croatia. In the case of the latter, the Government supports the process of ratification of the Stabilisation and Association Agreement with the EU and its most early implementation, as well as its request for membership in the EU, provided that the Republic of Croatia meets all the necessary criteria. The fact that once Croatia will be a member of the EU the Slovenian border with Croatia would no longer be a Schengen but an internal border, provides an incentive for supporting Croatia in joining the EU. The Social Democratic Party warns that other countries of the Western Balkans should not be neglected in order that the region remains stable and does not present any security threat to the EU. The Chamber of Commerce and Industry of Slovenia stresses the importance of the Croatian preparations for membership in light of its economic potential, which should simplify Slovenia’s economic ties with Croatia. The Confederation of Free Trade Unions of Slovenia perceives a potential accession of Croatia to the EU as a means for solving the bilateral problems between Slovenia and Croatia.

³⁷⁶ Sejm – Lower Chamber of the Polish Parliament.

³⁷⁷ Polska Agencja Prasowa (PAP), 13 January 2003.

³⁷⁸ Włodzimierz Cimoszewicz took part in the internet chat on <http://www.onet.pl> on 18 December 2002. Source: Polish Ministry of Foreign Affairs web site: <http://www.msz.gov.pl>.

³⁷⁹ see: Polska Agencja Prasowa (PAP) web site: <http://www.pap.com.pl>.

³⁸⁰ Interview with the President of the Republic of Poland, Aleksander Kwasniewski, in “Jutarnji List” (Croatian journal) on 20 February 2000 Source: The President of the Republic of Poland official web site: <http://www.prezydent.pl>.

³⁸¹ Ibid.

4. Which position does your country hold on the new neighbourhood policy (vis-à-vis the Ukraine, Russia, etc.) of the EU? Can one expect a special interest and input of your country?

Czech Republic

The Czech Republic has welcomed the beginning of discussion on developing a concept of "Wider Europe" as well as the "New Neighbours Initiative" which the EU started in April 2002. It should be emphasized that relations of the EU towards the region beyond its eastern borders will become one of the main priorities of the Czech Republic within the framework of the Common Foreign and Security Policy. The Czech Republic unequivocally supports a wide and mutually advantageous cooperation on the eastern border of the EU and does not want this border to become a new parting line in Europe. The Czech Republic has a special interest in the region of the Community of Independent States (CIS) because of strong political, economic and cultural ties which existed between former Czechoslovakia and the former Soviet Union in the period 1945-1989. At present, there are tens of thousands of guest workers from the CIS countries, especially Ukraine, employed in the Czech Republic legally and probably just as many illegally. Without them, some branches of industry, for example the construction industry, would hardly be able to move ahead or would almost collapse. As far as Russia is concerned, it has been an important supplier of raw materials for the Czech Republic for many years and at the same time it has been a huge market for Czech products. The input of the Czech Republic in the future can be based on the utilization of its long historic experience and also in providing its transformation know-how to the countries of the CIS.

Hungary

Among the new neighbours of the EU, Hungarian interests concern first of all the Ukraine because of the large Hungarian minority who lives there. On the other hand, economic interests connect Hungary to this region, mainly because these relations have drastically subsided during the past decade.

Poland

In June 2001 a team composed of several think-tanks³⁸² published its opinion on European integration and EU enlargement entitled "Common Europe". One can read there that "the European Union needs balanced, wise, permanent and concise policy towards Eastern Europe that would include not only Russia, but also Ukraine and other former Soviet Union countries. Such a policy should be aimed at the democratisation of the societies of the region and the development of the mechanisms of market economy. This is a real chance for the creation of more enlarged European market. How will this market look like, who will be included and on what conditions depends on our imagination, our political will and efficiency in our activities. Those who will not be included should not feel excluded"³⁸³.

Ill-understood, „Europeanisation” of the security structure of our continent would result in the domination by a Franco-German political tandem. Those two countries are deeply interested in a profound co-operation with Russia, promoting the „Russia first” principle in EU foreign policy and possessing long traditions of appeasement towards Moscow, the costs of which could be paid by Ukraine, Belarus and Moldova and thus by Poland.

³⁸² Centre for Social and Economic Research, Centre for International Relations, Stefan Batory Foundation, Gdansk Institute for Market Economy, Institute for Central-Eastern Europe, Institute for Sustainable Development, Institute of Public Affairs, Institute for Strategic Studies and Independent Centre for Economic Studies.

³⁸³ Instytut Spraw Publicznych, *Wspolna Europa*, Warszawa, czerwiec 2001 [Institute of Public Affairs, *Common Europe*, Warsaw, June 2001].

Russia is not a democratic country and has no ambitions to join the EU or to meet the European standards. Therefore, the inclusion of Russia as an equal partner into the security-related European decision-making structures will probably not be supported by Poland. The main impact of Poland on the EU strategy towards Russia will therefore be concentrated on the following principles:

- Real (which means sceptic) assessment of the compatibility of EU and Russian political aims (stabilisation, democracy, human rights, rule of law, etc.);
- Sceptic assessment of Russian genuine will to co-operate in the hot issues Balkans, Transnistria, Caucasus;
- Perception of Russia as a source and a promoter of an alternative model of post-communist transformation in Central and Eastern Europe that does not aim at Western integration (Russian support for Milosevic, Meciar, Lukashenka, Kuchma, Transnistria, Gagauzia, Abkhazia, etc.).

This will lead to the promotion of the principle of the differentiation of the EU eastern policy. That policy should be shaped according to the ambitions and local conditions existing in various CIS countries. One can distinguish three main groups of countries:

- Those who are striving for EU membership (Ukraine and Moldavia) should be “privileged” provided that the indispensable internal reforms are implemented or at least in a course of implementation;
- Others who may change their political system and thus join Ukrainian “European choice” (Belarus) should be offered an open gate after such a change;
- Those who, like Russia, are too large to become EU members, have no such ambitions and constitute an alternative centre of integration, promoting the competitive (non-democratic) model of post-communist transformation should be treated as countries with no perspective for EU membership.

Poland is, of course, interested in the occidentalisation of Belarus and Moldova, still it is Ukraine that plays the central role in that game and the entire process without Ukraine makes

no political sense from a Polish point of view. Thus Ukraine’s “European choice” has a crucial – strategic – importance for Polish national interests and its support should be treated as the principal priority of Polish foreign policy.

Poland (neighbour of Belarus, Russia and Ukraine), Hungary and Slovakia (neighbours of the Ukraine) as well as Lithuania and Latvia (neighbours of Belarus and Russia) and Estonia (neighbour of Russia) will enter the EU on 1st May 2004. This will hopefully give us a relatively strong pro-eastern dimension lobby in the decision-making bodies of the EU. In this context, it comes as no surprise that the upcoming enlargement of the European Union will bring to existence a new *Eastern dimension* of the EU promoted by Poland and other western neighbours of Ukraine, Belarus and Russia just as the last enlargement of 1995 has brought the *Northern Dimension* promoted by Finland.³⁸⁴ The situation in which Eastern policy of the EU (common strategies for Russia and for Ukraine) were shaped without Polish participation will end once and for ever and this can result only in positive outcomes for Ukraine and Belarus and for the Union itself.

Poland has already proposed the creation of a new Eastern Dimension of the EU in a non-paper issued by the Polish Ministry of Foreign Affairs in February 2003. The main thesis of the idea may be developed as follows:

- A new Eastern Dimension of EU foreign policy should be created. The EU should recognise the issues of Ukraine, Belarus and Moldova as separate ones from its Russian policy and abandon the conviction that those CIS countries constitute a natural zone of superior Russian influence. A new EU strategy towards the entire region is necessary and Ukraine should be recognised by it as a crucial country for stability and pro-Western evolution of political systems of the countries in question. The “programme

³⁸⁴ Włodzimierz Cimoszewicz’s speech „The Eastern Dimension of the European Union. The Polish View” presented at the Conference “The EU Enlargement and Neighbourhood Policy”, Warsaw, 20 February 2003, available at: <http://www.msz.gov.pl/start.php> (2003-02-20 15:38).

of minimum”³⁸⁵ contains a demand to give the Ukraine a perspective of relations with the EU at a level and of the intensity equal to EU relations with Russia and to grant the Ukraine a market economy status as soon as possible.

- In its policy towards Russia the EU should concentrate on the implementation of the programmes already adopted, especially those related to human rights observation commitments and non-military security threats generated by the situation in Russia, like environment protection, epidemic threats, nuclear material proliferation, organised crime, money laundering, migration (Schengen borders including the Kaliningrad transit problem) and energy dialogue.³⁸⁶
- “The existing agreements of the EU with Ukraine and Moldova should be upgraded to association agreements, to reflect the increased significance of relations with those countries after the forthcoming EU enlargement as well as their aspirations. There should also be an open option for an agreement with Belarus if its internal political situation improves.”³⁸⁷
- The Tacis and Interreg programs should be reviewed and focused on the priority areas. The application and decision-making procedures should be simplified.
- The crucial issue is the creation of pro-western political elites in Ukraine, Belarus and Moldova that is strong enough to push the country politically to the West. Therefore Poland, Hungary, Slovakia, the Baltic states and in the future Romania, in co-operation with as many new and old EU member states as possible, should put the proposal to create a special and broadly conceived scholarship programme for students and academic workers from Ukraine, Belarus and Moldova on the EU agenda as soon as possible. The program should be similar to Erasmus/Socrates enriched with some additional benefits. It should enable to

send at least several thousand of Ukrainian, etc. students per year to the universities in the old and new EU member states, rather than several hundred, as it is the case hitherto. The program should offer scholarships with full financing backing and adopt the principle of proposing short-period studies abroad (maximum one year), adapted to the course of studies at the students’ home colleges (Full five-year long scholarships would bring the risk that the students may become well rooted abroad which would promote permanent emigration).

- The experience of Polish NGOs with dealing with building civil societies in Ukraine and Belarus should be exploited and supported by the Union. The EU should elaborate on a legal and technical mechanism and rules of financial support for the NGOs in Belarus, i.e. in the country where assistance cannot be provided and distributed in co-operation with the government of the state in question. Such a support should be offered as well to the pro-democratic forces, local authorities, free media development in that country, cross-border co-operation with the future EU members and people to people contacts. Poland proposes the establishment of a European Democracy Fund or of a European Freedom Fund, which would facilitate the introduction of EU assistance programs in the countries concerned, provided by the NGOs.³⁸⁸
- Poland proposes the establishment of a European Information Centre in the future EU neighbouring countries in order to promote knowledge on the EU, democracy and European values.
- Reducing the undesirable outcome of the introduction of Schengen border regime on the western borders of Ukraine should become one of the most important tasks in mutual relations between Ukraine and the enlarged European Union.

³⁸⁵ Ministry of Foreign Affairs of the Republic of Poland, *non-paper*, February 2003, p.2.

³⁸⁶ *Ibid.*, p.3.

³⁸⁷ *Ibid.*, p.2.

³⁸⁸ *Ibid.*, p.2 and 6.

Slovenia

The Government, as well as the oppositional Social Democratic Party, aims at an active involvement of Slovenia in the implementation of the new neighbourhood policy of the EU, once it is a member state. However, Slovenia shall pay special attention to the relations with countries of the Western Balkans, since Slovenian national security and economic development cannot be separated from stability in this region. According to the Chamber of Commerce and Industry and the Confederation of Free Trade Unions, the special interests of Slovenia with a view to the “new neighbours” are due to the fact that the countries of the Western Balkans and of the former Soviet Union represent traditional markets for Slovenian exports.³⁸⁹

5. Which problems need to be addressed after the big bang enlargement? Please refer to:

- **Reform of policies (CAP, regional policy)**
- **Reform of own resources system**
- **Political system of the EU**

Czech Republic

Reform of policies

The Czech Republic welcomes the main direction of the revised proposal for reform of the Common Agricultural Policy from 22 January 2003. This document is much closer to the Czech view than was the original proposal from July 2002. The Czech Republic considers it as a right step towards the increase of agricultural competitiveness of the enlarged EU on

³⁸⁹ Slovenian economic analysts show that, despite recession on the Western markets, Slovenia managed to maintain a relatively high economic growth in 2002, primarily due to its economic involvement in the Western Balkans.

the world markets while respecting the principle of sustainable development and protection of the environment.

In principle, the Czech Republic agrees with the separation of direct payments from production. In order to set the integrated payment for a farm, the Czech Republic requests to clarify the question of reference periods for candidate countries which should serve as a base for these payments. The Government welcomes both the simplification of administrative mechanisms connected with the introduction of the integrated payment and the elimination of the limit of 300.000 € in the case of direct payments. The Czech Republic embraces the proposed extension of priorities and programs of rural development and proposes to turn attention above all to the guarantee of a just redistribution of the resources saved by regression of direct payments. The Czech Republic is in favour of an even greater shift of resources from price support to structural support and support for rural development.

The Czech position with respect to Regional Policy has not been clearly defined yet. It is expected to be prepared by June 2003.

Reform of own resources system

The Czech position on reform of the own resources system can only be defined after both the position on CAP and the position on Regional Policy are ready. It is expected to be prepared by August 2003 at the latest.

Political system of the EU

According to the Czech Government, candidates for the President of the European Commission should be presented by the member states to the European Parliament (EP). On the basis of this list, the EP should elect the President as well as individual Commissioners who would be selected by the President of the Commission from among the candidates presented by the member states. The Czech Republic insists on the preservation of the principle “one state – one Commissioner”. The President should have the right to determine the internal organization of the Commission. The European Commission would be on a regular basis accountable for its activities to the EP. The privilege of legislative initiative

should remain with the Commission, except for the range of the CFSP, provided that the High Representative primarily remains in the structure of the Council with the right of initiative.

With respect to the Council of the EU, the Czech Government assumes that the problem of general application of QMV will continue to exist also in the future, especially as regards the ESDP. According to the Czech Republic, efficiency in decision-making on ESDP issues, commensurate to the use of QMV, can be ensured by means of constructive abstention in the Council, its threshold should however not lead to a blockade of decision-making.

As far as the European Parliament is concerned, the Czech Government believes that with a view to the structure of European integration it is not desirable to have any new institutions of the type of the Congress of the Nations of Europe. Its establishment would lead to upsetting the basic institutional balance and would primarily weaken the EP. The mode of decision-making "EP's co-decision – QMV in the Council" can basically be welcomed, nevertheless co-decision-making of the EP can be introduced by the abolition of other procedures through which the Parliament is associated to QMV in the Council, such as consultation and cooperation. Conditions for the dissolution of the EP should be fixed in the future Constitutional Treaty: for example dissolution of the Parliament could take place after its repeated failure to approve the budget or a proposal of major importance for which the Commission would win support in the Council/European Council.

Hungary

Reform of policies

Hungary has very sensitive interests with regard to the CAP as well as regional policy and thus perceives these two as the most important fields to be reformed.

Political system of the EU

The reform of the political system of the EU is the task of the European Convention where

Hungary participates nearly on an equal footing. As a result Hungary is looking forward to the future with great anticipation.

Poland

Reform of policies

With regard to the Common Agricultural Policy, its reform is inevitable. This imperative is recognised by all. The enlargement of the European Union is one of the reasons why the CAP should be changed, but not the only one. Other related pressures that prompt the reform are WTO-imposed constraints as well as the problems associated with the CAP price policy, including:

- The fact that the bulk of CAP benefits is captured by a minority of large-scale, prosperous farmers and landowners,
- The adverse impact on the environment,
- High raw-materials costs faced by the food industry due to high prices for farm products,
- The adverse impact of high food prices on low-income groups,
- Budgetary burden and significant transfers among member states generated by CAP, and last but not least,
- impact on world-prices, which are lower than they otherwise would be without CAP.³⁹⁰

The MacSharry reform and *Agenda 2000* brought about some significant alterations. Their first effects are already visible, but the CAP still needs substantial changes. The proposal of such a reform was submitted by the Commission in its *Mid-Term Review of the Common Agricultural Policy*.³⁹¹

It seems that the Commission's proposals constitute steps in the right direction. Considering

³⁹⁰ *The European Union Handbook*, J. Gower (ed.), Fitzroy Dearborn Publishers, London, 2001, p. 167-168.

³⁹¹ Commission of the European Communities, *Mid-Term Review of the Common Agricultural Policy*, Brussels, 10 July 2002, COM (2002) 394 final.

all circumstances (WTO negotiations, enlargement, challenges for contemporary food economy like BSE), the reform should achieve the enhanced competitiveness of EU agriculture, the market oriented sustainability of agriculture, the pro-ecological orientation of the EU agricultural policy, high quality food as well as strengthened rural development. The reformed CAP should also be able to react flexibly to what is happening in its surroundings, namely on the WTO forum and in the US agricultural policy.³⁹²

In conclusion we would like to stress that a new agricultural policy has to guarantee equal treatment of old and new member states in the enlarged Union.

With regard to *regional policy*, it is widely acknowledged that Poland – a large country with a low level of economic and social development³⁹³ – will become one of the main beneficiaries of the Community's regional policy after accession. Moreover, on account of the budgetary constraints faced by Poland, its national regional development policy will be strongly dependent on structural assistance from the EU.³⁹⁴ Therefore, a question of a future shape of this policy, during the next financial period after 2006, is of crucial importance. Unfortunately, the debate in Poland on the Community's regional policy and structural funds is limited to discussion about opportunities, threats and challenges which are connected with realisation of the Community's assistance during the first three years of membership (under the present financial and organ-

isational framework). There is a considerable concern about administrative capacity to guarantee high level of absorption of structural assistance in the "transitional period". Although the representatives of the accession countries, including Poland, are involved in the debate on the future cohesion and regional policy after 2006, initiated by the European Commission in its *Second Cohesion Report* (2001),³⁹⁵ one can hardly find any official or unofficial comments in Poland on the regional policy of the EU which goes beyond 2006.

There is no doubt that accession of the Central and Eastern European Countries to the EU will have a major impact on the economic and social cohesion of the Community and therefore the regional policy will have to be reinforced and reformed. It should be stressed that the need to continue cohesion policy stems not only from the "big bang" enlargement, but also from the process of deepening of European integration. Social and economic cohesion is one of the main prerequisites of a successful Common Market and European Monetary Union.

The key question of the future reform of regional policy is how to reconcile a need to concentrate structural assistance on the poorest regions in the "new" member states with a necessity to continue assistance in present member states' regions, whose development still lags behind. Invoking the principle of solidarity, Polish officials usually stress that future cohesion policy must have the relevant financial dimension.³⁹⁶ The decision taken in Berlin in March 1999 provided for cohesion policy to absorb 0,45 per cent of GDP in 2006, assuming a Union of 21 members. It is realised also in Poland that the overall budget of structural actions after 2006 is unlikely to increase. According to the Commission, 0,45 per cent of

³⁹²

http://europe.eu.int/comm/agriculture/mtr/index_en.htm

³⁹³ Poland's GDP per capita was of 39% of the EU's average in 1999.

³⁹⁴ Source: T. G. Grosse, *Członkostwo Polski w Unii Europejskiej – pierwsze problemy i kryzysy w prowadzeniu polityki regionalnej w Polsce, a w szczególności wykorzystaniu środków z funduszy strukturalnych*, w: *Polska w Unii Europejskiej – Początkowe problemy i kryzysy*, U. Kurczewska, M. Kwiatkowska, K. Sochacka (red.), Polski Instytut Spraw Międzynarodowych, Warszawa 2002, s. 295. [T. G. Grosse, *Polish Membership of the EU – First Problems and Crises in Running of Regional Policy in Poland, Especially in Using of Structural Funds*, in *Poland in the European Union – First Problems and Crises*, U. Kurczewska, M. Kwiatkowska, K. Sochacka (eds.), Polish Institute of International Relations, Warsaw, 2002, p. 295].

³⁹⁵ The consultation process started during the Second Cohesion Forum organised by the European Commission in Brussels in May 2001. The debate involves the representatives of the EU institutions, Member States and Candidate Countries, regional and local authorities, economic and social groups, as well as academic institutions. A numerous Polish delegation, headed by then Prime Minister Jerzy Buzek, participated in this Forum.

³⁹⁶ It was stressed by Prime Minister Jerzy Buzek and Minister for Regional Development, Jerzy Kropiwnicki, during their speeches at Second Cohesion Forum.

the EU's GDP is "the minimum required to provide a credible response to the needs of the enlarged Union".³⁹⁷ This view is widely shared in Poland, as below a certain financial level cohesion policy will lose its credibility.³⁹⁸ One of the vital issues discussed is the level of the threshold for eligibility for assistance under Objective 1 (currently set at 75 per cent of the average EU GDP per capita). None of the Commission's four options proposed in the *Second Cohesion Report* seems to be satisfactory for Poland.³⁹⁹ First of all, any system which creates different treatment for "old" and "new" members or divides the Objective 1 regions into two categories is not acceptable politically. Moreover, "new" member states should be equally treated in respect of financial allocation and shall not receive less in terms of per capita assistance than the "old" ones.⁴⁰⁰ This may be the case as a consequence of the

³⁹⁷ Michael Barnier's speech during the Second European Cohesion Forum, Brussels 21 May 2001.

³⁹⁸ A. Maciaszczyk, R. Woreta, *Prezentacja Raportu Komisji Europejskiej w sprawie spójności gospodarczo-społecznej Europy*, „Wspólnoty Europejskie” nr 7-8 (119-120), 2001, s 29 [A. Maciaszczyk, R. Woreta, *Presentation of the Commission's Report on the Social and Economic Cohesion of Europe*, „European Communities”, no 7-8 (119-120), 2001, p. 29].

³⁹⁹ European Commission proposed four options for determining eligibility under Objective 1: the application of the present threshold of 75% irrespective of the number of countries joining the Union (which would eliminate a number of regions in the present EU 15 from the assistance); the same approach, but regions above this threshold and currently eligible for the assistance under Objective 1 should receive temporary support (phasing-out), the level being higher the closer their GDP to the eligibility threshold; the setting of a GDP per head threshold higher than 75% of the average, at a level which would reduce or eliminate the automatic effect of excluding those regions in the EU 15 simply because of the reduction in the average EU GDP per head after enlargement; the fixing of two thresholds of eligibility, one for the regions in the EU 15 and one for the candidate countries, which will lead to two categories of lagging regions.

(European Commission, *Unity, solidarity, Diversity for Europe, its People and its Territory - Second Report on Economic and Social Cohesion*, Office for Official Publications of the European Communities, Luxembourg 2001, p. xxxi-xxxii).

⁴⁰⁰ Such an official position was already expressed by Prime Minister, Jerzy Buzek, in his speech during Second Cohesion Forum in May 2001.

introduction of a 4 per cent limit of national GDP is that the amount of assistance for a given country cannot exceed, thus the adoption of a "phasing-in" strategy for "new" Members.⁴⁰¹ One of the Commission's proposals which is usually appreciated in Polish statements is a special higher co-financing rate for candidate countries to reflect their lower national budgetary capacity.

The principle of concentrating structural assistance on the least developed areas should not be considered only at the Community level. For Poland the important question is whether and how regional disparities inside "new" member states will be addressed. After accession, all regions in Poland will be covered by structural assistance. It rests with the Polish government to decide on a geographical (regional) distribution of resources. The question is whether the resources will be distributed equally or concentrated on the Polish least developed Eastern regions. These issues are very important in the formulation of a regional policy model in Poland. Considering the low level of economic and social development of the country as a whole, the reduction of the economic gap between Poland and the EU's average might become a priority (both for Polish and EU's authorities), while the reduction of internal regional disparities might be relegated into the background. There is a concern that in such a case regional assistance will be concentrated on major "development motors", i.e. strong and competitive Western regions and, as a result, the regional disparities might increase in Poland.

The debate on the future shape of the EU's regional policy involves not only its financial aspects, but also the question of further reforming the system of Structural Funds' management. Different modifications of the management of structural assistance have already been introduced during the present financial period (2000-2006). These are aimed at increasing decentralisation and promoting partnership (strengthening the role of regional and local authorities in realisation of the policy). Poland should have no difficulty in complying with

⁴⁰¹ Source: J. Szlachta, *Polityka spójności Unii Europejskiej po roku 2006*, Fundacja Edukacji Ekonomicznej, 02/01/30 [J. Szlachta, *Cohesion Policy of the European Union after 2006*, Foundation for Economic Education], www.europa.edu.pl].

the principle of partnership (as voivodship self-government has considerable competencies for the implementation of regional development policy within its territory). However, the development strategy at regional level will depend mainly on the resources of the central budget and those of the Community, the latter being negotiated with the Commission by the central government. The system of structural assistance management which will be introduced in Poland for the period of 2004-2006 is quite centralised at national level (dominated by the Ministry of Economy, Labour and Social Policy) and will not encourage regional involvement in this process in the nearest future.⁴⁰² There is a risk that such a model, which undermines hitherto achievements of decentralisations, will be further reinforced after 2006.⁴⁰³

There is an overall concern that the influence of “new” members, including Poland, on the future shape of the cohesion and regional policy will be limited, as the European Commission is expected to present main financial and conceptual framework of this policy already in 2003, which means before the accession of new countries.⁴⁰⁴ The lack of an official position of Poland and a weak involvement in the present discussion at the Community level can further impede influence on the future reform of Structural Funds.

To conclude, economic and social cohesion has always been a key factor of the functioning of European economic integration. Therefore, the strengthening of regional policy and concentrating its financial instruments on the accession countries and their regions will be beneficiary to the whole European Union.

Reform of own resources system

“Establishing the next multi-annual financial framework entails translating the political project for the enlarged European Union after

⁴⁰² Moreover, it has been decided that during the first years of Poland’s membership in the EU, there will be one regional development operational programme, consisting of 16 sub-regional programmes for each voivodship, in order to facilitate negotiations under the Structural Funds’ assistance. This may also limit the role of regions.

⁴⁰³ T. G. Grosse, *op. cit.*, p. 299.

⁴⁰⁴ J. Szlachta, *op. cit.*

2006 into financial terms. This calls for the thorough examination of the nature of the enlarged European Union, its values, its identity, its ambitions and what policies are needed to deliver the agreed policy goals in particular those requiring public expenditure at the Union level”. Such a declaration by the Commission can be read in the press release “The Commission prepares Union finances beyond 2006” of 5 March 2003. Such a statement should be welcomed by Poland and other candidate countries, as it paves the way to wide consultations of EU own resources system reform. On the other hand, the Commission approved the internal roadmap for preparing the new financial framework. It sets out an extremely ambitious and tough timetable: the Commission plans to present a Communication setting out broad guidelines for policies and the expenditure framework by the end of 2003 and to present by mid-2004 the legislative proposals covering policy changes relating both to the expenditure and the revenue side of the EU budget in order to have the new financial framework adopted by the end of 2005 at the latest. The reason behind such time frames is that the Commission argues that negotiating financial “packages” takes time.⁴⁰⁵ With 25 members in the decision-making process, the negotiations over budgetary issues risk being even more complicated. This is right. This danger is even more pronounced if one takes into consideration the quantity and the weight of questions to be resolved. They range from the time span of the new financial perspective (2007-2013, 2007-2011 or different terms) through the simplification of budgetary procedures to the most controversial issues, such as the own-resources ceiling or rebate(s).⁴⁰⁶

We are of the opinion that one of the most important stumbling blocks in the reform of the own resources system will be the principle of solidarity. Although the Commission intends to make it a “key theme”, the “I want my money back” stance in the present European

⁴⁰⁵ The negotiating of the previous ones took about two years.

⁴⁰⁶ It seems that by setting up this timetable the Commission tried to circumvent this problem, but it also deprived the newcomers of the possibility to participate in the most crucial conceptual and preparatory works, although it must be admitted that it will be the new Parliament and the enlarged Council to adopt final decisions.

Union is constantly underneath and it is expected to be much more pronounced in the enlarged Union, in which the cleavage between net contributors and net beneficiaries will deepen. There might be some vivid bargaining on the allocation of money to different policy areas. Take structural funds for instance. If it were decided that structural assistance will be capped at 0,45 per cent of EU GNP and that the new members falling below the 75 per cent threshold will receive 4 per cent of their GDP, merely 0,25 per cent would be left for the EU-15, which is less than at the beginning of *Agenda 2000*.⁴⁰⁷ Under these circumstances the present member states are not likely to agree on such “generosity” to the newcomers, as financial transfers are rigid to come down. Another example concerns the EU external border. Although being a matter of common interest for all members, its protection is currently in the responsibility of some countries. In Italy the ERDF funds are used for external-border protection, Greece uses the Interreg funds for this purpose. The newcomers have their PHARE Cross-border Co-operation programme and the so-called Schengen facility negotiated in Copenhagen.⁴⁰⁸ Although there is a common accord that there should be more burden-sharing in this field, the will of “inner” member states to pay for border guards on the Bug river is difficult to imagine.

Financial solidarity can be reinforced by making members’ contributions more a function of their GDP, hence welfare, which perpetuates tricky discussions on the theme of “fair return”.⁴⁰⁹

⁴⁰⁷ Michaele Schreyer’s (member of the Commission responsible for the Budget) lecture “Making the enlarged Union a success – the challenges for the EU’s new financial framework” presented at the seminar “The New Financial Framework – Challenging EU Road for the Future” organised by the Finnish Ministry of Finance, Helsinki, 27 February 2003.

⁴⁰⁸ The so-called Schengen facility is a lump-sum financial transfer amounting to 0.3bn EUR per annum for new Member States for measures to secure the external borders. This amount will be allocated according to the length of the external border including maritime border.

⁴⁰⁹ Commission of the European Communities, *For the European Union. Peace, Freedom, Solidarity*, Brussels, 11 December 2002, COM(2002), 728 final/2, p. 14.

To conclude, the negotiations over the new financial framework showing the maximum amount and the composition of expenditure might resemble “tug of war” between net contributors and net beneficiaries. In this context, it is imperative to streamline the decision-making procedure to secure budgetary discipline. It seems desirable to make multi-annual financial perspectives, which are currently a matter for institutional agreement, *the law*, by including the provision in the constitutional treaty that they are adopted by the European Parliament and the Council on a proposal from the Commission. Another idea worth considering is the abolition of the artificial distinction between compulsory and non-compulsory expenditure, on which a consensus exists between the Commission and the Parliament.⁴¹⁰ Worth noticing is also the idea of adopting the budget by co-decision procedure by the Budgetary Authority on a Commission draft.⁴¹¹

But, to make the enlarged Union a success, the following financial packages must be attractive to all member states, the old and the new alike. They must also bring added value to the citizens of Europe.⁴¹² In this context, it goes without saying that funding the common policies should call for more democracy and more transparency. The latter is especially of outstanding importance. Today, a tax-payer does not know how much he or she pays to the EU budget, which widely opens the door for speculation. Who knows, for example, that the EU budget accounts for only 2,24 per cent of total government expenditure in the EU? Not only do people have a false idea of the size of EU finance, but they often have a view of

⁴¹⁰ Michaele Schreyer’s (member of the Commission responsible for the Budget) speech “Reforming the budgetary procedure: possible options in the revision of the Treaties” presented at the plenary sitting of the European Parliament, Strasbourg, 11 March 2003.

⁴¹¹ The European Convention, *The Final Report from Chairman of Working Group IX on Simplification to Members of the Convention*, 29 November 2002, CONV 424/02, p. 19-21.

⁴¹² Michaele Schreyer’s (member of the Commission responsible for the Budget) lecture “Making the enlarged Union a success – the challenges for the EU’s new financial framework” presented at the seminar “The New Financial Framework – Challenging EU Road for the Future” organised by the Finnish Ministry of Finance, Helsinki, 27 February 2003.

which individuals, which member states contribute to the EU budget and how much they contribute, which does not correspond to the reality. In the nearest future, the European Union would have to address one of the most difficult questions, i.e. how to reconcile the notions such as the efficiency of the decision-making process and the budgetary discipline with democracy and transparency. It would be important to see that the solutions undertaken do not prove that these concepts are contradictory.

Political system of the EU

Currently, when the pre-referendum debate in Poland concentrates on the costs and benefits of membership and the current political system of the EU, defining the future shape of the political system model acceptable for Poles is a difficult and venture-some. The difficulties result from specific questions, on which the attention of political elites and citizens is focussed, such as the nation states' sovereignty problem and reconciliation of their interests, competencies and legitimacy of European institutions, democratic deficit, division of competencies between the nation states, regions and institutions of the Union, role of national parliaments and the European Parliament as well as legal-political meaning of the European citizenship concept as introduced by the Maastricht Treaty. These detailed questions put off the debate about the future, reformed model of the new political system of the EU.

Within the existing political system of the EU there are four categories of actors:⁴¹³ Community institutions, member states, regions and local authorities as well as Europe-wide political parties and NGOs. Apart from the Community institutions, all other actors function within differentiated political systems, providing them necessary legitimacy. European citizenship in turn is of rather symbolic nature. „The Community political system is a structured mechanism of cooperation between the sovereign actors, driven in their activity by *raison d'état*, and the concepts of hegemony, power balance and national interests.”⁴¹⁴

⁴¹³ Krzysztof Szczerski, *Unia Europejska to nie państwo* (European Union is not a State), „Polska w Europie” (Poland in Europe), 3 (41) 2002, p. 70.

⁴¹⁴ *Ibid.*, p.71.

Moreover, in practice this mechanism of „cooperation” differs considerably among sectoral policies within the three pillars of European construction, ranging from community method to international relations regime. In the light of the forthcoming big enlargement, the system is commonly perceived as inefficient and requiring further reforms.

It seems difficult to present a comprehensive and uniform picture of the future – acceptable – political system of the EU on the basis of the current discussion in Poland and the views presented by Polish representatives to the Convention. The federalist system is seen as premature. Preference is given rather to evolutionary method of building the future political system of the Union.⁴¹⁵ The Polish option seems to be reinforcement of the communitarianisation, strengthening the role of national parliaments and the subsidiarity principle, partnership and solidarity as well as the simplification of decision-making procedures, extension of QMV in the Council and the clear-cut delimitation of the areas of competencies between the nation state and the Community. As a result the EU should work more efficiently and play a more important role on the international scene.

The question that poses most problems in the debates about the future shape of the EU is the issue of national sovereignty and equal participation for all EU members. The discussion gained some extra dynamics after the speech delivered by Joschka Fisher at the Humboldt University on 12 May 2000. Both the vision of a federation of nation states and the concept of building an „avant-garde” presented by Jacques Delors were dismissed.⁴¹⁶ It is worth stressing however that with regard to a federation model there exist considerably different approaches. While the leftist and liberal parties (Left Democratic Alliance, Civic Platform) would accept certain shape of European federation, the right-wing parties are decisively

⁴¹⁵ Wadyslaw Bartoszewski, *Przyszly ksztalt Unii Europejskiej* (The future shape of the European Union), [in:] *The future of the European Union*. The Polish Point of View, ed. by Jan Barch, Katarzyna Zukrowska, MSZ, Warszawa 2001.

⁴¹⁶ Piotr Buras, *Polska wobec dyskusji o przyszlosci Unii Europejskiej* [Poland in the face of the discussion on the future of the European Union], Center for International Relations, Reports and Analyses 6/01, www.csm.org.pl.

against, perceiving this by the idea behind the integration process as such, and therefore decline the idea of Poland's accession to the EU in principle.⁴¹⁷ However, discussion among politicians do not provide any actual concept of the future construction of the Union. For example, Jan Kulakowski, the former Chief Negotiator maintains that a political model for the Union „has to be an original model”, and believes that such a model can be devised by the Convention.⁴¹⁸ The „Europe des Patries” idea by Charles de Gaulle seems to be a point of reference for Polish political elites, the Church and those social groups, which support Polish membership in the EU. However, it is difficult to draw a clear conclusion as to how this „Europe des Patries” is exactly defined. Definitely, according to prevailing opinion of Polish elites and intellectuals the future European Union should be „more efficient” – in particular on the international scene – in the context of the current “big bang” enlargement.

Slovenia

Reform of policies

The People's Party of Slovenia acknowledges efforts undertaken in the EU as well as in the candidate states, which resulted in a relatively good preparation for enlargement. The decade of preparations on both sides did not solve all the problems, but has led to many of the problems being predictable on the one hand, and to gradual changes in policies that shall deal with those problems on the other hand. The Social Democratic Party, the Chamber of Commerce and Industry and the Confederation of Free Trade Unions share the opinion that the agricultural and regional policies at the EU-level need to be reformed first in order for the EU to remain competitive and efficient.

⁴¹⁷ *The Future of Europe in the Opinion of Polish Politicians (Transcript of a Debate)*, Center for International Relations, Reports and Analyses, 1/02, www.csm.org.pl

⁴¹⁸ *Konwent – reformy UE – interesy Polski* (Convention – Reforms – Poland's Interests. Transcript of discussion during the debate of the Foundation, „Polska w Europie on 25 July 2002.), „Polska w Europie” (Poland in Europe) 4 (42) 2002 p. 116.

According to the Slovenian Government, the following three areas will present crucial problems in the coming years: (a) the substantive priorities of the EU budget, (b) structural funds and (c) the Common Agricultural Policy (CAP). With respect to the new financial perspective, a decision should first be taken whether funds shall be distributed under the terms of a predetermined ceiling or if the budget shall be adapted to the substantive priorities as agreed upon afore. The Government sees those priorities in the following fields: standard of living (agriculture, environment, health), sustainable development (the Lisbon Declaration, competition), solidarity (structural funds), home affairs (Schengen), and foreign and security policy (official development aid, either through the European Development Fund or through the EU budget). The determination of priorities shall be closely linked to the decisions of the European Convention. Due to greater differences in development in the enlarged EU, the Government sees the importance of the decision on the amount of the GNP directed to the structural funds. Regarding the CAP, the Government expects that the future discussion will concentrate rather on the structure than on the overall amount of EU spending (according to the decision of the October 2002 Brussels summit, the percentage of GNP available for the Common Agricultural Policy will decrease in case the inflation will exceed economic growth).

Reform of own resources system

Concerning the EU budget, there are two crucial questions: change in the ceiling of the GNP percentage for the EU budget and the reform of the own resources. The solution to the first question shall depend upon the widening of the substantive framework of EU activities. Concerning a reform of the own resources system, the Government deems the preliminary decisions of the European Convention very important and regards the contributions of the United Kingdom to the EU budget as one of the crucial questions. The Social Democratic Party supports an introduction of a “European tax” (its impact should, however, be thoroughly analysed beforehand) as a positive contribution to more transparency of the EU finances and as a means to put an end to the discussions on who contributes more and who

less to the EU budget. As one possible way that should be considered they see the taxation of mobile telephone systems, which, according to some analyses, could cover up to 35 per cent of the EU budget.

Political system of the EU

As for the political system of the EU after the “big bang” enlargement, the Government acknowledges the need for the EU to face the following issues: First, how to ensure an efficient functioning of the EU institutions with so many member states. The Government points out the questions of the one-Commissioner-per-state-rule and of reforming the rotating Presidency.⁴¹⁹ The second question, equally important for the Government, is the recruitment of personnel from new member states for the European institutions. This is important not only for reasons of organisation and logistic, but foremost in relation to the influence different political cultures can exert upon the work of the European institutions. Third, in relation to the reform of the EU’s political system, the question is how far the new member states, without any experience in conduct of EU affairs, will favour any deeper reform in direction of a federal system. Here, the question arises whether the thesis on the likely conservative views of the new member states is realistic. Fourth, enlargement will significantly increase the number of smaller member states, which raises the question of the traditional over-representation of smaller states in the EU. Moreover, as enlargement will shift the eastern borders of the EU, the question of a timetable for further enlargements shall enter the debate.

In relation to the reform of the political system of the EU after enlargement the Social Democratic Party stresses the importance of the principles of transparency and openness for EU citizens, respect for equality among member states, positive discrimination of smaller mem-

⁴¹⁹ Furthermore, regarding institutional reform, Slovenia places great emphasis on the role of national parliaments. According to the Slovenian representatives in the European Convention, the role of national parliaments should be enhanced at home, with better parliamentary control over the executive, which should also bring about more transparency to the decision-making process in Brussels. Slovenia rejects the idea that new institutions in Brussels are needed.

bers, as well as respect for cultural diversity, national identity and the protection of the Slovenian language. The Confederation of Free Trade Unions sees the reform as crucial in terms of global developments, in order for the EU to speak with one voice.

6. Was the process from Copenhagen 1993 to Copenhagen 2002 a success for the EU/the candidates? Please refer to

- **strengths and weaknesses of the EU enlargement strategy**
- **adaptation process of the candidates**
- **roles of the Commission and the member states**
- **trends in public opinion in your country**

Czech Republic

Strengths and weaknesses of the enlargement strategy

The present Czech Government is convinced that the process from Copenhagen 1993 to Copenhagen 2002 was a success for both the EU and the candidate countries. At the same time, it believes that the EU enlargement strategy has been adequate and has corresponded to the real situation in the candidate countries. However, the Czech Communist Party (KSCM) holds precisely the opposite view to this perception. According to KSCM, the whole process including the final results has been a complete failure. For this reason, the KSCM did not recommend its supporters to vote yes in the June 2003 referendum on EU accession. The Civic Democratic Party (ODS), although it supports the country’s future membership in the EU, has always had many reservations with respect to the EU enlargement strategy. Probably the greatest

strategy. Probably the greatest weakness of the whole strategy, as it is perceived by ODS, is connected with the so-called “second class” membership of the newcomers to the EU.

Adaptation process of the candidates

The issue of the adaptation process of the candidate countries with respect to their EU accession is a very broad and complex one. No other country or a group of countries entering the EC/EU in the past had to make such radical changes of their political, economic and social system, and had to fulfil so many strict conditions and criteria as is the case of the present candidates. This process has not always been a smooth one. Nevertheless, it can be considered almost a miracle that eight post-Communist countries from Central and Eastern Europe have already managed to succeed in this demanding task and will be ready to enter the Union on 1st May 2004, unless their citizens decide otherwise in a referendum. Moreover, it cannot be ruled out that at least two other post-Communist countries can follow in 2007. It is perhaps worth reminding here that the former French President François Mitterrand stated some ten years ago that it would take decades before the countries from Central and Eastern Europe would be ready to join the European Union.

Roles of the Commission and the member states

It should be mentioned that both the European Commission and the EU member states have contributed to the success of the process “from Copenhagen to Copenhagen”. As far as the Commission is concerned, the Czech experts appreciate the assistance granted to the Czech Republic by means of pre-accession funds such as PHARE, ISPA and SAPARD. At the same time, the Commission has facilitated the Czech Republic’s preparations for accession by monitoring the progress of the candidate countries in its Regular Reports and by setting out the priority areas for further work within the framework of the Accession Partnership. Also the role of the member states should not be underestimated in this context. The Twinning project which has brought about some positive results can serve as a good example.

Trends in public opinion

According to a rapid face-to-face survey of STEM (Centre for Empirical Research) which has been conducted on 8 January 2003 by means of a representative sample of 625 Czech citizens older than 18 years, 73 per cent of people would participate in a referendum on EU accession and 27 per cent would not.⁴²⁰ From those who declared their will to participate, 61 per cent would vote for Czech accession to the EU, 17 per cent would vote against and 22 per cent are still undecided. Table 2 clearly shows that the interest to participate in the referendum on EU accession is significantly higher in the case of persons with higher educational level, compared to less educated people. Tables 3 and 4 show that support for EU accession is higher in the case of younger and middle-aged people (age group of 18-44 years) and in the case of persons with high school and university level education, respectively. In this respect, table 5 shows that the percentage of undecided women is significantly higher than that of men. Tables 6 and 7 show the attitudes of supporters of different political parties towards EU accession.

According to a STEM survey from March 2003, the Czechs expect the following main improvements after the entry into the EU: free movement of people, greater possibilities in enterprising, better quality of state services, possibility of employment in the EU. According to the same survey, the opponents of accession fear mainly: the increase of prices, menaces to the Czech agriculture, loss of independence of the republic, and strong competition on the Czech market.

⁴²⁰ In case the information given in this chapter does not directly refer to STEM, it is based on unpublished “raw material” from the Ministry of Foreign Affairs.

Table 1: Opinion of the Czech population concerning its participation in a referendum about the EU accession according to age groups – 8th January 2003 (in %)

Age group	In favour of participation in the referendum	Against participation in the referendum
18-29 years	74	26
30-44 years	78	22
45-59 years	73	27
60 years and more	64	36

Source: STEM

Table 2: Opinion of the Czech population concerning its participation in a referendum about the EU accession according to education level – 8th January 2003 (in %)

Education	In favour of participation in the referendum	Against participation in the referendum
Elementary	55	45
Vocational	72	28
High school	83	17
University level	92	8

Source: STEM

Table 3: Opinion of the Czech population concerning the EU accession according to age groups (participants in the referendum only) – 8th January 2003 (in %)

Age groups	In favour of EU accession	Against EU accession	Does not know
18-29 years	67	11	22
30-44 years	66	12	22
45-59 years	51	23	22
60 years and more	53	23	24

Source: STEM

Table 4: Opinion of the Czech population concerning the EU accession according to education level (participants in the referendum only) – 8th January 2003 (in %)

Education	In favour of EU accession	Against EU accession	Do not know
Elementary	51	19	30
Vocational	55	18	27
High school	65	16	19
University level	83	13	4

Source: STEM

Table 5: Opinion of the Czech population concerning the EU accession according to sex (participants in the referendum only) – 8th January 2003 (in %)

Sex	In favour of EU accession	Against EU accession	Do not know
Male	66	17	17
Female	56	17	27

Source: STEM

Table 6: Opinion of the Czech population concerning its participation in a referendum about the EU accession according to political parties – 8th January 2003 (in %)

Political party	In favour of participation in the referendum	Against participation in the referendum
US-DEU ⁴²¹	92	8
ODS ⁴²²	85	15
CSSD ⁴²³	77	23
KDU-CSL ⁴²⁴	68	32
KSCM ⁴²⁵	60	40

Source: STEM

⁴²¹ US-DEU – Freedom Union – Democratic Union

⁴²² ODS – Civic Democratic Party

⁴²³ CSSD – Czech Social Democratic Party

⁴²⁴ KDU-CSL – Christian Democratic Union – Czech People's Party

⁴²⁵ KSCM – Communist Party of Bohemia and Moravia

Table 7: Opinion of the Czech population concerning the EU accession according to political parties (participants in the referendum only) – 8th January 2003 (in %)

Political party	In favour of EU accession	Against EU accession	Does not know
US-DEU	68	14	18
ODS	75	8	17
CSSD	60	13	27
KDU-CSL	68	10	22
KSCM	29	52	19

Source: STEM

Hungary

Strengths and weaknesses of the enlargement strategy

Never in the history of European integration, an enlargement process included so many little developed countries. The fact that the negotiating parties managed to combine the national interests of 25 countries is perceived a great success in Hungary. The decision-makers were able to think in long-term categories. However, they did not manage enough to read up on the candidates and thus were not able to account for all their characteristics. Different treatments between the current member states and the candidate countries may result in social dissatisfaction.

Adaptation process of the candidates

Despite the amount of tasks ahead of legal harmonisation and implementation, the adaptation process surpassed the expectations according to the Ministry of Foreign Affairs.

Trends in public opinion

In Hungary EU membership was supported by a relatively high percentage of people although only 45 per cent of the population participated in the referendum of 12 April 2003. The referendum resulted in 84 per cent supporting EU membership of Hungary.

Poland

Strengths and weaknesses of the enlargement strategy

It is worth stressing that it makes a highly symbolic circle from Copenhagen in 1993 when the membership criteria were formulated to the European Council in Copenhagen in December 2002, when the accession negotiation with 10 candidate countries were concluded. For Poland, 13 December, the day when the deal was struck, has additional historical meaning. In 1981 the martial law was introduced, which was one of the most dramatic events in Polish post-war history, determined by the Yalta-division of Europe. With the accession negotiations concluded in Copenhagen, such occurrences become less likely. Another meaningful parallel is the cycle from Athens where in 1994 Poland submitted its application for EU membership to Athens 2003, where the accession treaty was signed under the Greek presidency.

The strength of the EU enlargement strategy was the active role of the Commission. The Commission's activities and the adopted documents (*Pre-accession Strategy, Agenda 2000*) disciplined and put in order the enlargement process. It is worth noting that the pre-accession funds have been meant to facilitate adaptation changes. They consist of PHARE II (of which 30 per cent is devoted to institution-building), SAPARD,⁴²⁶ which supports the restructuring of the agricultural sector, and ISPA,⁴²⁷ which props up the adjustments in environment and transport infrastructure.

One of the most important weaknesses of the EU enlargement strategy was the fact that for quite a long time the Commission and the member states were "keeping the date of

⁴²⁶ By virtue of financial agreement signed on 6 June 2002 some 175mio EUR was granted to Poland. Urząd Komitetu Integracji Europejskiej, *Raport z realizacji w 2002 Narodowego Programu Przygotowania do Członkostwa w Unii Europejskiej*, Warszawa 18 marca 2002, Aneks, s. 30 [Office of the Committee for the European Integration, *Report on Implementation of Programme of Preparation to EU Membership*, Warsaw, 18 March 2003, Annex, p. 30].

⁴²⁷ All projects co-financed by ISPA fund account about 3bn EUR, of which 2bn come from the EU budget. Source: Ibid., p. 32-36.

enlargement in the dark". Polish authorities as well as politicians were of the opinion that a precise framework with a timetable would encourage Poland to continue on the course to the European Union and will permit to plan the adjustment processes, but not before June 2001 the date was declared, when it was stated that the first new member states should participate in the European Parliamentary elections of 2004. Then on the occasion of the Laeken summit this declaration was reiterated and Poland was mentioned as one of the countries that would be ready for EU membership in 2004.

Adaptation process of the candidate countries

The Office of the Committee for European Integration is the national institution responsible for assuring the implementation of the tasks of the Commission for European Integration related to programming and co-ordinating Poland's integration policy. One of its main priorities is to accelerate approximation of Polish law with European Community legislation, mainly by initiating and co-ordinating legislative work and assessment of the conformity of legal drafts with EU law (art. 2.1 point 2 and point 4 of *Law of 8 August 1996 on the Committee for European Integration*).

The breakthrough in the legal adaptation process was made in 2000 when transposition of Community law into the Polish legal system was agreed to be a priority task. In the summer of 2000, both the government and the Parliament undertook necessary activities to enable effective realisation of this priority. On 10 July 2000, as a government initiative, the Tripartite agreement between the President of the Polish Sejm, the President of the Polish Senate and the Prime Minister was concluded. The parties to the agreement settled down an obligation to speed up the process of approximation of Polish law to the *acquis communautaire*. The next step was the creation of a special European Law Committee⁴²⁸ on the basis of the Sejm resolution of 13 July 2000. The European Law Committee is one of the Committees functioning in Sejm and it is composed of members of all political parties represented in Parliament. Its main activity has been the assessment of draft legislation meant to approximate the Pol-

ish law to the Community law. The Committee also deals with so-called "draft European acts" defined as containing exclusively the regulations set out to ensure the transposition of the Community law into Polish legal order. Apart from creating the European Law Committee in Sejm, the new European Commission for Legislation was established in the Senate. Its tasks are also connected with draft legislation. As a result of this new approach, during 2000-2001, 121 bills were passed to approximate Polish law with the Community law (among 149 projects of bills submitted by the Council of Ministers), which is undoubtedly the effect of the government's new strategy in this field. This strategy was also based on creating "fast legislative path" – a special legislative procedure ensuring accelerated approximation of Polish law with the *acquis communautaire*. On 24 July 2000, the Committee for European Integration issued a regulation concerning the procedure of dealing with governmental draft legislation concerning specifically the question of harmonisation of Polish law. A relevant minister or head of central office prepares these drafts and the process of creation of bills is co-ordinated by the Office of the Committee for European Integration. Moreover, apart from preparing approximating acts, the government is also responsible for preparing executive acts implementing those acts and regulations, which substantially deal with approximation of the Polish legal order to the Community law. This activity is of great importance, especially when we take into consideration the future legislative practice and the possibility for fast reaction on changes made in EC law. The European Community law is a very dynamic system, where constant changes in existing regulations are being made. The use of the system of executive acts gives a possibility for quick reaction by changing those acts and avoiding frequent amendment of bills.⁴²⁹ But, the preparation of executive acts in 2001 was not sufficient, some changes were introduced in 2002 when the creation of executive acts was accelerated.

The process of approximation of laws was accelerated in the year 2002. The changes in the national system of co-ordination and monitoring over approximation, together with en-

⁴²⁸ also called „European Committee”.

⁴²⁹ See: *Summary of the legislation activity in 2000-2001*, analysis made by the Committee for the European Integration.

phasing the role of implementation of the *acquis* in the Parliament, helped in preparing a schedule of legislative work. According to the *Report on Realisation of the National Programme of Preparation for Membership in the European Union in 2002*, the Council of Ministers prepared and submitted to Sejm 71 bills on approximation of laws, 50 of them were accepted by the Parliament. Moreover, 588 executive acts were elaborated. Apart of that, main backwardness were still identified in the area of protection of environment, agriculture, free movement of goods, especially with regard to safety of food and safety of work.

Approximation of Polish law to EC law is a very complicated and time-consuming process. What has to be ensured during this process is primarily the compatibility of draft legislation with the Community law together with high quality of lawmaking. On 20 November 2002, the Council of Ministers adopted the *National Program of Preparation for Membership* in the EU for IV quarter 2002-2003 which constitutes a new direction in the issue of approximation. It contains the list of draft legislation approximating Polish law to Community law that should be agreed by the Council of Ministers in 2003 – there are 69 projects of bills (mainly amendments). The Program constitutes a schedule for preparing executive acts to those acts that have been created during 2000-2002 and approximating Polish law to the *acquis communautaire*. Those acts were planned to be issued in 2002, but unfortunately there are still 132 regulations in this area to be adopted (they should be passed till the first quarter of 2003). Apart of that, there is also a schedule for preparing executive acts to bills that have been created during 2000-2003 concerning the approximation of laws – this schedule concerns those executive acts that should be established in 2003 (185 projects of regulations).

Another platform, at which the adaptation process takes place, is institution-building. Developing adequate administrative and judicial capacity for EU membership is a demanding and wide-ranging task, which requires detailed preparations in each and every domain covered by the Union's policies and legislation. Therefore, on the basis of the Commission's 2001 *Enlargement Strategy*, Poland and the Commission jointly developed an *Action Plan* to strengthen Poland's administrative and judicial capacities in April 2002. In preparing

the *Action Plan*, a comprehensive approach was taken. All priorities from the revised *Accession Partnership*, which relate to the development of administrative and judicial capacities, have been included. Each of them was treated separately and specific measures have been designed to address each of them. In the 2002 *Progress Report* the Commission assessed that in some policy areas the adjustments are on track, in some of them they are fulfilled (e.g. institutional framework for the market economy and macroeconomic policy), but there is still a considerable number of fields where the adaptation changes are progressing very slowly (e.g. the improvement of functioning of the judicial system, competition, fisheries or financial control).⁴³⁰

It must be stated, however, that the institutional adjustments constitute a great financial burden for Polish authorities. It is estimated that employment in public administration should increase by 9 per cent (almost 9000 civil servants) in order to ensure Poland's readiness to assume the obligations resulting from EU membership.⁴³¹ Apart from the establishment of new staff, the proper staffing is necessary. Therefore, it is of outstanding importance to look into the existing human capital endowment with a view to the re-organisation of the institutions and the reallocation of "human resources". Training must accompany the hiring of additional staff, which is paramount to the successful implementation of the *acquis*. However, the budgetary means earmarked for this purpose, though increasing, are scarce. In 2003 they will amount to 68 million PLN.⁴³² To facilitate the adaptation process an important targeted support within the PHARE programme is provided by the European Union. Within the 2002 PHARE

⁴³⁰ The Commission of the European Communities, *2002 Progress Report on Poland's Progress towards Accession*, Brussels, 9 October 2002, SEC (2002) 1408, p. 144-153.

⁴³¹ E. Synowiec, *Raport w sprawie dostosowań instytucjonalnych do wymogów członkostwa w UE*, „Wspólnot Europejskie”, nr 5 maj 2002, s. 10 [E. Synowiec, *Report on institutional adjustments to the obligations resulting from EU membership*, “European Communities”, no 5, May 2002, p. 10].

⁴³² Ministerstwo Finansów, *Ustawa budżetowa na rok 2003* [Ministry of Finance, *Budget law for the year 2003*, p. 14].

programme some 82 million € were earmarked for the institution-building process.⁴³³

Roles of Commission and member states

It is worth stressing that the Commission's role in the accession negotiations was of outstanding importance for the enlargement of the European Union. In line with its treaty competencies, the Commission did act as a "moteur d'intégration". Its strategy of the preparations for enlargement based on three tracks: the *Pre-accession Strategy* submitted in 1997 (the reform process in the candidate countries), the accession negotiations and the *Communication Strategy for Enlargement* adopted in 2000, which all have proved to be successful.

Trends in public opinion

One of the most important indices, which describes Polish public opinion's attitude to the European integration, is the declared turnout in the accession referendum. In the course of 2002 some 58 per cent of Poles declared to participate in the referendum, whereas 10 per cent of the respondents did not intend to participate in the voting, because of:

- lack of information on European integration – 29 per cent;
- general lack of interest in politics – 27 per cent;
- the will to "have nothing to do with the matter" – 12 per cent.⁴³⁴

After the conclusion of the accession negotiations in Copenhagen these percentages changed diametrically. The majority of the respondents willing to take part in the referen-

⁴³³ Urząd Komitetu Integracji Europejskiej, *Raport z realizacji w 2002 Narodowego Programu Przygotowania do Członkostwa w Unii Europejskiej*, Warszawa 18 marca 2002, Aneks, s. 3 [Office of the Committee for the European Integration, *Report on Implementation of Programme of Preparation to EU Membership*, Warsaw, 18 March 2003, Annex, p. 3].

⁴³⁴ Elżbieta Skotnicka-Illaszewicz, *Public Attitude towards Poland's Integration with the European Union*, material prepared for Session IV: Legitimacy and Public Opinion: Future Referenda in Candidate Countries and the Risk of Euroscepticism, Warsaw, December 2002.

dum grew to 61 per cent, while the minority of Poles uninterested in the voting shrunk to 10 per cent. In the group of people declaring non-attendance in the referendum 1/3 was against Poland's accession to the European Union and 1/4 was in favour of Poland's entry into the EU.⁴³⁵

In general, in the course of 2002 public support for Poland's accession to the EU remained fairly stable. Among those who intended to take part in the referendum the lowest support (66 per cent) was in March, but in May it reached its peak rate of 75 per cent. On average, in 2002 "Yes" attitude was represented by 69 per cent of citizens. There was also a rather stable proportion of the respondents who opposed Poland's accession to the European Union. It oscillated around 20 per cent.

In the second half of the year 2002, when the negotiations entered its final stage, public support for Poland's membership in the European Union grew from 70 per cent in September to 73 per cent in November. The negative attitude to Poland's accession to the European Union was insensitive to the progress of the accession negotiations and remained at the level of under 20 per cent from September till November.

After the Copenhagen summit, the acceptance of Poland's accession to the European Union fell down slightly to 67 per cent and the disapproval of integration grew insignificantly to 22 per cent, which was more than the average percentage of the respondents saying "No" to Poland's membership in the European Union, but still less than in the most "Euro-sceptical" month, i.e. in July, when 26 per cent of Poles were against accession.⁴³⁶

There were slight fluctuations in the level of support/disapproval for Poland's membership in the European Union among all respondents (including those who did not intend to participate in the referendum).

⁴³⁵ CBOS, *Motywy poparcia lub odrzucenia integracji*, Warszawa, styczeń 2003 [CBOS, *Motives of Approval or Disapproval of Integration*, Warsaw, January 2003].

⁴³⁶ CBOS, *Poparcie dla integracji z Unia Europejska po szczycie w Kopenhadze*, Warszawa, styczeń 2003 [CBOS, *Support for Integration with European Union after Copenhagen Summit*, Warsaw, January 2003].

Before Copenhagen some 61 per cent of the respondents were in favour of Poland's entry into the EU, while 22 per cent of the interviewees questioned it. Post-Copenhagen figures were a little more pessimistic for the future outcome of the referendum. 59 per cent of Poles declared their approval for integration, the number of the opponents grew by two percentage points to 24 per cent.

The profile of the respondents who would vote for or against Polish membership in the European Union has remained stable throughout the last years. It has not changed after Copenhagen, either. The proponents of Poland's entry into the EU are young people (at the age of 30-39 years), having higher education, living in towns up to 20000 inhabitants, supporting the Citizens' Platform (PO) or the Democratic Left Alliance (SLD).⁴³⁷

POLITICAL PREFERENCES AND ATTITUDES TOWARDS POLAND'S ACCESSION TO THE EUROPEAN UNION⁴³⁸

	<i>If the referendum were to be held now, I would vote <u>for</u> Poland's membership in the EU... (%)</i>		
	<i>Lowest support</i>	<i>Highest support</i>	<i>Change Nov.-Dec.</i>
Democratic Left Alliance (SLD) – Labour Union (UP)	73	85	-6
Citizens' Platform (PO)	78	95	+6
Law and Justice (PiS)	51	79	-3
Self-defence	35	48	+4
Polish Peasant Party (PSL)	41	71	+2
Polish Families' League (LPR)	18	42	-11

⁴³⁷ See table.

⁴³⁸ CBOS, *Poparcie dla integracji z Unia Europejska* (Support for accession to the European Union), Warsaw, March 2003.

Slovenia

Strengths and weaknesses of the enlargement strategy

Generally, all officials surveyed for this contribution characterise the process from Copenhagen 1993 to Copenhagen 2002 as a success for all sides involved in the process. The crucial weakness of the enlargement strategy of the EU, according to the Government, has been its horizontalness, which did not allow sufficient flexibility. On the other hand, its positive aspect has been that it forced the candidate states to prepare and implement various reforms (political, administrative, economic, etc.), which were necessary regardless of a future EU membership. Still, the prospects of membership served as a motivation as acknowledged by the Chamber of Commerce and Industry. The Confederation of Free Trade Unions of Slovenia exposed its discontent over the rigidity of the EU towards the candidate states in terms of their compliance with the *acquis communautaire*, since not even all current member states fulfil the *acquis* entirely. In contrast, the Social Democratic Party expressed another view, namely that the process from Copenhagen to Copenhagen has also been a decade of enormous changes within the EU, some of which were speeded up by the prospect of enlargement (economic, monetary and foreign policy field). The Confederation of Free Trade Unions of Slovenia emphasises that during the process there was, on the part of the EU, little understanding for the enormous gap the candidate states had to overcome in terms of consolidating their democracies (and, in some cases, build-up of their political institutions) and stabilising their economic systems. The Chamber of Commerce and Industry showed discontent over the fact that the financial framework for enlargement remained the same even after the number of candidates eligible for EU funding had doubled.

Roles of Commission and member states

Especially in the first phase of the negotiations, a crucial role has been held by the Commission. It was looked upon very favourably in terms of organisation, technical assistance and other forms of help it offered to the candidate states. In respect of its capability to ensure a

case-by-case based approach to the candidates in different situations, the Commission's role is seen less positive by the Government. It acknowledges, however, that the Commission was limited in its endeavours with a view to budgetary questions as well as in terms of the personnel it had at its disposal. The Social Democratic Party is of the opinion that the European Commission, following the "community method", managed to avoid politicisation of interests of particular member states during the negotiation process at least to some extent (for example as regards Austrian and Italian demands expressed vis-à-vis the Czech Republic, Slovakia and Slovenia). The Confederation of Free Trade Unions is content with technical and financial assistance it received from the Commission for educational purposes and for the stimulation of social dialogue as a method of adjusting interests of the social partners. The assessment of the role of member states in the negotiation process has to be done on a case-by-case basis. The Confederation of Free Trade Unions sees the role of Germany as the most positive for Slovenia, whereas Austria and Italy have rather complicated the negotiation process.

Trends in public opinion

Public opinion trends concerning support for EU membership as displayed in the Eurobarometer⁴³⁹ show two important features: the Slovenian public has been well informed about enlargement during the whole process and support for Slovenian membership in the EU has been high and stable over the years. However, a closer look⁴⁴⁰ shows that support for membership was closely linked to particular developments in the process of enlargement and within the EU. From June 2000 onwards, a decrease in support for membership can be observed in four cases: 1) June 2000 – January 2001, related to the outbreak of BSE as well as the Austrian conditioning of Slovenia's acces-

sion to the EU with the closure of the Krško nuclear power plant and the demand for the seismologic research; 2) February – April 2001, caused by discussions on the change of Article 68 of the Slovenian Constitution (property rights of foreigners) and by the outbreak of the foot and mouth disease in the EU; 3) April – September 2001, related to the closure of the duty free shops at Slovenia's borders with Austria and Italy; 4) January – March 2002, due to the publication of the European Commission's financial strategy, containing the enlargement financial package. These data show that the Slovenian public has been well informed and highly susceptible towards the developments, not only regarding the negotiation process and the concessions that had to be made, but also with respect to specific developments within the EU. The Government highlights that its information strategy, open and transparent, contributed to the constantly high support for membership and eventually to the high support expressed at the March 2003 accession referendum.

⁴³⁹ Conducted by the European Commission, Directorate for Media and Communication, all recent issues available at http://europa.eu.int/comm/public_opinion.

⁴⁴⁰ Based on the public opinion surveys "Polibarometer", conducted by the Centre for Research of Public Opinion and Mass Communications at the Faculty of Social Sciences of the University of Ljubljana.