

Procedure file

Basic information		
INI - Own-initiative procedure	2006/2288(INI)	Procedure completed
Report on Croatia's 2006 progress report		
Subject 6.40.03 Relations with South-East Europe and the Balkans		
Geographical area Croatia		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	AFET Foreign Affairs		13/09/2004
		PSE SWOBODA Hannes	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2770	11/12/2006
European Commission	Commission DG	Commissioner	
	Neighbourhood and Enlargement Negotiations	REHN Olli	

Key events			
11/12/2006	Resolution/conclusions adopted by Council		Summary
14/12/2006	Committee referral announced in Parliament		
27/03/2007	Vote in committee		Summary
29/03/2007	Committee report tabled for plenary	A6-0092/2007	
25/04/2007	Debate in Parliament		
25/04/2007	Decision by Parliament	T6-0156/2007	Summary
25/04/2007	End of procedure in Parliament		

Technical information	
Procedure reference	2006/2288(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	AFET/6/23951

Documentation gateway				

Committee draft report		PE384.315	29/01/2007	EP	
Amendments tabled in committee		PE384.604	01/03/2007	EP	
Committee report tabled for plenary, single reading		A6-0092/2007	29/03/2007	EP	
Text adopted by Parliament, single reading		T6-0156/2007	25/04/2007	EP	Summary
Commission response to text adopted in plenary		SP(2007)2625/2	31/05/2007	EC	

Report on Croatia's 2006 progress report

The Council commends Croatia for the progress it has made in the past year. It states that the accession negotiations have begun well and first results have been obtained and that Croatia is now required to build on the progress made.

The Council recalls that, in line with the Negotiating Framework, the advancement of the accession negotiations continues to be guided by Croatia's progress in preparing for accession.

Particular attention should be paid to accelerating the pace of reforms in the areas of judicial and public administration reform, the fight against corruption, and economic reform.

Rigorous implementation of Croatia's obligations under the Stabilisation and Association Agreement, in particular in the areas of state aid and real estate acquisition, will be essential to maintain Croatia's positive momentum on the path to EU membership.

The Council welcomes Croatia's full cooperation with ICTY and emphasises that Croatia needs to maintain it.

Croatia also needs to pay due attention to good neighbourly relations and regional cooperation, including making the necessary efforts towards finding solutions to outstanding bilateral issues, in particular border disputes.

Report on Croatia's 2006 progress report

The committee adopted the own-initiative report by Hannes SWOBODA (PES, AT) on Croatia's 2006 progress report. It congratulated the Croatian authorities on the rapid progress made so far in accession negotiations and stressed that key pieces of legislation in crucial areas such as public administration, the administration of courts and anti-corruption policy had already been adopted. However, the committee exhorted Croatia to make further efforts on several fronts. It should first strengthen its capacity to implement Community legislation, especially in the area of the environment. The Croatian government should therefore "fully respect and implement" international documents such as the Aarhus Convention (on public access to environmental information) and ratify the Kyoto Protocol in accordance with the most recent EC environmental strategies.

MEPs in the committee also pointed out that having "an open, competitive market economy is a fundamental requirement for EU membership". Croatia must thus comply with the agreed targets for the sale of "minority and majority state-owned interests in companies" and for the reduction of state subsidies in the shipbuilding and steel industries in particular. The committee appeals to Croatia to authorise the acquisition of real estate by EU nationals, with the exception of the exempted areas.

The committee also called on Croatia to continue to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia (ICTY), and expressed concern about the Government's offer to support the defence costs of Croatian army generals. Croatia's institutions and political parties should counteract the public's perception of the ICTY as a hostile institution and publicise the role which it was playing in prosecuting crimes committed against Croat civilians. MEPs also criticised the "persisting bias amongst some judicial staff against non-Croatian nationals" and the insufficient protection of witnesses against intimidation. They pointed out that procedures for appointing and assessing judicial staff should provide "sufficient guarantees for a professional and independent judiciary", and that a recent amendment of the Courts Act introduces an obligation for judges to declare their assets and provides for the possibility of transferring judges to overburdened courts.

Other points raised by the committee included the integration of minorities into everyday life and the idea of including in pension calculations the years worked by people who lived in the Republika Srpska Krajina during the conflict. MEPs also urged Croatia to resolve the issue of its frontier with Slovenia in line with the conclusions of the European Council of June 2004.

Lastly, the committee voiced concern at the flagging public support for EU accession in Croatia and welcomed the fact that the Government and the opposition were joining forces in explaining to the public the economic, political, social and cultural benefits resulting from the accession process.

Report on Croatia's 2006 progress report

The European Parliament adopted a resolution based on the own-initiative report by Hannes SWOBODA (PES, AT) on Croatia's 2006 progress report, and stated that it felt, in line with the Commission's communication on Enlargement Strategy and Main Challenges 2006-2007, that Croatia continued to meet the political criteria for accession. Croatia could be regarded as a functioning market economy that should be able to cope with competitive pressures and market forces within the Union in the medium term, provided that it vigorously implemented its

reform programme so as to remove the significant remaining weaknesses. Parliament congratulated the Croatian authorities on the rapid progress made so far in accession negotiations, particularly in the adoption of key pieces of legislation in crucial areas such as public administration, the administration of courts and anti-corruption policy.

Parliament asked the Croatian government to strengthen its capacity to implement laws transposed from the *acquis communautaire* into national legislation in all fields, especially in the area of the environment. In this regard, the Croatian authorities should take into due consideration the concerns raised by local communities and public opinion with regard to controversial industrial projects which might pose a threat to the environment or public health. The Croatian government must fully respect and implement international documents such as the Aarhus Convention and eventually ratify the Kyoto Protocol.

Whilst concerned by flagging public support for EU accession in Croatia, Parliament welcomed the fact that Government and opposition were joining forces in explaining to the public the economic, political, social and cultural benefits resulting from the accession process.

Parliament expressed concern about certain matters, such as the delay regarding the entry into force of certain provisions of the Civil Service Act. It commended Croatia for fully cooperating with the International Criminal Tribunal for the Former Yugoslavia (ICTY), but was concerned that the effective prosecution of war crimes might be undermined by hostility at local level, persisting bias amongst some of the judicial staff against non-Croatian nationals and insufficient protection of witnesses against intimidation. It urged the Croatian Government to continue actively to encourage the prosecution of war crimes, regardless of the nationality of the perpetrators. Parliament was also concerned about certain initiatives taken by the Government, notably its offer to support the defence costs for army generals and its request to act as *amicus curiae* in cases pending before the ICTY. All Croatian institutions and parties should counteract the public's perception of the ICTY as a hostile institution and publicise the role which the ICTY plays in prosecuting crimes committed against Croat civilians.

Parliament went on to call for the development of a concrete action plan for achieving proportional representation of minorities, pursuant to the provisions of the Constitutional Law and with adequate provisions for monitoring. It invited the Croatian authorities to reopen the deadline for the recognition of working years in respect of people who worked in the so-called "Republika Srpska Krajina" during the conflict and to allow these non-residents too to apply for such recognition.

The Croatian authorities were reminded that an open, competitive market economy was a fundamental requirement for EU membership, and were urged to implement more seriously the agreed targets for the sale of minority and majority state-owned interests in companies and the reduction of state subsidies, particularly in the shipbuilding and steel sectors. More should be done to open the Croatian market to foreign investors and service providers and to place them on the same footing as national operators. Parliament wanted Croatia to authorise, the acquisition of real estate by EU nationals, with the exception of the exempted areas, and recalled that this was already envisaged in the Stabilisation and Association Agreement with Croatia.

Both the Croatian and the Slovenian governments were asked to reach an agreement on all their pending border issues, taking into account the agreements reached so far and the conclusions of the European Council of 17-18 June 2004, and invited them to abstain from any unilateral action which might undermine such an agreement.

Parliament then called on the Commission further to support a broad-based truth and reconciliation process, in Croatia and throughout the Western Balkans, and to include other neighbouring countries when necessary. This process should involve civil society, political actors and cultural figures, and it should lay the ground for lasting peace and stability in the region. This reconciliation process must, in particular, target young people and it should include a thorough review of school books and curricula for history studies.

Lastly, Parliament called on the new Member States to play an active role in Croatia's move towards accession, allowing Croatia to benefit from their experience of reforms.