Procedure file

Basic information			
RSP - Resolutions on topical subjects	2009/2767(RSP)	Procedure completed	
Resolution on the 2009 progress report on Croatia			
Subject 8.20 Enlargement of the Union 8.20.01 Candidate countries			
Geographical area Croatia			

Key players			
European Parliament Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2984	07/12/2009

Key events			
07/12/2009	Resolution/conclusions adopted by Council		Summary
10/02/2010	Results of vote in Parliament		
10/02/2010	Debate in Parliament	-	
10/02/2010	Decision by Parliament	<u>T7-0023/2010</u>	Summary
10/02/2010	End of procedure in Parliament		

Technical information		
Procedure reference	2009/2767(RSP)	
Procedure type	RSP - Resolutions on topical subjects	
Procedure subtype	Resolution on statement	
Legal basis	Rules of Procedure EP 132-p2	
Stage reached in procedure	Procedure completed	

Documentation gateway					
Motion for a resolution	<u>B7-0067/2010</u>	10/02/2010	EP		
Text adopted by Parliament, single reading	<u>T7-0023/2010</u>	10/02/2010	EP	Summary	
Commission response to text adopted in plenary	SP(2010)2011	02/06/2010	EC		

Resolution on the 2009 progress report on Croatia

The ?General Affairs? Council adopted a series of conclusions on the enlargement strategy of the European Union. They may be summarised as follows:

- welcoming the Commission communication on <u>Enlargement Strategy and Main Challenges 2009-2010</u>, the Council takes note of the conclusions and recommendations therein. The enlargement process gives strong encouragement to political and economic reform in the enlargement countries and reinforces peace, democracy and stability in Europe;
- the Council confirms that the EU will continue to help them to alleviate the impact of the crisis and prepare for sound recovery;
- it recalls that coherent implementation of the renewed consensus on enlargement which is based on consolidation of commitments, fair and rigorous conditionality, better communication and the EU?s capacity to integrate new members, continues to form the basis for EU action at all stages of the enlargement process, with each country being assessed on its own merits. The rule of law, in particular the fight against corruption and organised crime, as well as strengthening administrative capacity, remains a major challenge which the enlargement countries need to address from an early stage of the process;
- it points out that the negotiating chapters for which technical preparations have been concluded will be opened or closed provisionally in line with the rules of an Inter-Governmental Conference, according to established procedures and in line with the Negotiating Framework;
- on the financial front, the Council welcomes the support provided to the enlargement process through financial assistance, in particular in the form of the Instrument for Pre-Accession (IPA), and emphasises the essential link between enlargement policy priorities and financial assistance.

As regards Croatia, the Council commends Croatia for the considerable efforts it has made over the past year and the good overall progress made, in particular in meeting the benchmarks set in the negotiations. It also refers to the conclusions on a financial package for the accession negotiations with Croatia. Nothing that negotiations are now entering their final phase, the Council attracts the attention of this country to the following issues:

Croatia still has to make significant improvements in the judiciary, the public administration and the fight against corruption, not least to create a solid basis for the full implementation of the acquis;

- it will also need to step up reform efforts in the fight against organised crime, to ensure rights of persons belonging to minorities, including refugee return, and war crimes trials to build up a convincing track record in these areas;
- enhanced efforts to establish the required instruments for management and control of Community financial instruments and to develop the infrastructure, equipment and resources to effectively manage the external border will be needed.

The Council underlines that addressing these reforms and meeting all benchmarks in a timely manner, thereby fulfilling all the requirements of membership, notably concerning the judiciary and fundamental rights, will be essential for Croatia if it is to meet its objective of concluding negotiations next year.

The Council notes the generally good cooperation of Croatia with the International Criminal Tribunal for the former Yugoslavia (ICTY) on the majority of requests while reiterating that full cooperation remains essential in line with the Negotiating Framework. The Council welcomes the creation of a new inter-agency task-force, but notes with regret that the Prosecutor of the ICTY has not yet been able to report substantial progress regarding the request for certain key military documents. The Council calls on Croatia to take the necessary steps to complete a comprehensive and credible investigation into these issues without further delay.

Lastly, the Council welcomes the signing of the Arbitration Agreement on the border issue with Slovenia in Stockholm on 4 November 2009 and the ratification by the Croatian Sabor of the same agreement on 20 November 2009 and encourages Croatia to build on this progress in its efforts towards solving all outstanding bilateral issues, in particular border disputes, bearing in mind the importance of good neighbourly relations.

Resolution on the 2009 progress report on Croatia

The European Parliament adopted by 582 votes in favour to 24 against with 37 abstentions a resolution tabled by the Committee on Foreign Affairs on Croatia.

It notes that Croatia's successful accession would give positive impetus to the process of European integration in the rest of the Western Balkans region and that the prospect of EU membership is a powerful incentive for political and economic reforms and strengthening peace and stability.

General remarks: Parliament commends Croatia for its continued progress in meeting the criteria governing accession to the Union as well as the obligations of membership. It welcomes the resumption of EU-Croatia negotiations on 2 October 2009, after more than nine months of blockage, which was due to the border dispute with Slovenia. It considers that the negotiations must proceed smoothly, with a view to their being completed in 2010, provided that Croatia meets all the opening and closing benchmarks. Members are confident that Croatia will meet and overcome the considerable challenges remaining as regards the benchmarks set out in the negotiating chapters. The country continues to pursue its reform efforts, in particular as regards the judiciary and public administration, the fight against corruption and organised crime, the promotion of minority rights including refugee return, the pursuit of war crimes trials and allowing the ICTY access to documents. Croatia must also make substantial further efforts in completing the restructuring of shipyards.

Parliament is concerned, however, that despite the broad support for EU accession existing among political parties, public support for EU membership is diminishing. It encourages the Croatian authorities and civil society to initiate more public discussions on EU membership and the consequences of accession to the Union.

Political criteria: whilst welcoming progress in implementing the programme of public administration reform and Croatia's participation in European Security and Defence Policy (ESDP) operations Parliament underlines that major weaknesses remain in administrative procedures as well as in the management and administrative capacities of relevant institutions. Furthermore, whilst the political will exists to combat corruption on all levels, corruption remains widespread and the administrative capacities of state bodies, including the police and law enforcement authorities, continue to be insufficient. More resolute steps are required to reform the judiciary, and significant work remains to be done concerning the strengthening of judicial independence, the creation of a more transparent selection procedure for judges and prosecutors and more efficient enforcement of court rulings. Parliament also encourages Croatia to fully cooperate with the ICTY, with specific

reference to progress in finding the missing key military documents related to Operation Storm in 1995, which are to be used in the trials of some Generals.

Parliament is pleased that violent incidents against ethnic Serbs have diminished, police investigations have improved and the process of reconciliation between ethnic Croats and ethnic Serbs is proving to be successful. It calls on the Croatian authorities, however, to continue their efforts to combat discrimination against Roma and ethnic Serbs, primarily in the justice system, access to employment and housing. Members welcome the overall progress achieved in the field of refugee return and stress the importance of reintegration of refugees, including the reconstruction and repossession of housing, the challenging implementation of housing programmes for former holders of tenancy rights and the steps to be taken to resolve the issue of validation of pension rights.

Economic criteria: Parliament is pleased to note that Croatia is gradually recovering from the economic crisis and that its economic outlook is relatively positive despite rising unemployment. It calls on the Government, however, to address the existing structural weaknesses in the economy, which necessitate deeper structural reforms as a precondition for sustainable economic growth, urging the state to reduce its strong redistributive role and to limit state intervention in the economy, to stimulate employment by reviving the somewhat rigid labour market, to remove administrative barriers for enterprises and to cut subsidies to loss-making industries.

Assuming the obligations of EU membership: Members are pleased to note that Croatia has improved its ability to take on the obligations of EU membership. They encourage the Croatian authorities, however, to reinforce the administrative structures and institutional capacities necessary for the proper implementation of the acquis, so that the country may maximise the benefits of EU membership after accession. Croatia is encouraged to move forward with privatisation, to proceed with restructuring in sensitive sectors such as agriculture, and to promote private-sector participation in infrastructure at national, regional and local level. Parliament feels that more work is required in order to enhance the capacities of procuring entities so as to apply public procurement legislation transparently and in order to significantly reduce the risk of irregularities, including fraud, given that public procurement procedures remain a major source of corruption.

Regional cooperation: Parliament urges the Croatian Government and the governments of the neighbouring countries to intensify their dialogue with a view to finding definite solutions to a number of outstanding bilateral issues, in particular as regards border demarcation, missing persons, property restitution and refugees as well as the extradition of citizens in cases of war crimes and crimes against humanity. It recalls the arbitration agreement reached between the Prime Ministers of Slovenia and Croatia with a view to resolving their border dispute; and requests that the Commission establish a list of members of the arbitration tribunal, comprising only highly qualified professionals with a legal background and, as far as possible, experience in arbitration. Furthermore, Parliament calls on the Croatian Government and on all Croatian political forces to act constructively so as to strengthen Bosnian sovereignty and to facilitate the ongoing constitutional reform process. The Croatian Government is asked to reconsider its policy on dual citizenship, especially with regard to Croatian citizens with permanent residence in Bosnia and Herzegovina.