

EU - CROATIA JOINT PARLIAMENTARY COMMITTEE

**10th Meeting
25-26 November 2009
Strasbourg**

DECLARATION and RECOMMENDATIONS

Adopted on 26 November 2009

The Joint Parliamentary Committee EU-Croatia held its 10th meeting on 25-26 November 2009 in Strasbourg, under the co-chairmanship of Mr Gunnar HÖKMARK (SE, EPP-European People's Party), for the European Parliament Delegation and Mr Mario ZUBOVIC (HDZ -Croatian Democratic Union), for the Croatian Parliament Delegation.

It exchanged views with:

- **H.E. Mr Per SJÖGREN**, Ambassador, Permanent Representative of Sweden to the Council of Europe, on behalf of the Swedish Presidency in Office of the Council of the European Union
- **H. E. Mr Vladimir DROBNJAK**, Ambassador, Chief Negotiator for the Accession of the Republic of Croatia to the European Union,
- **Mr. Kristian TURKALJ**, Director, Directorate for the EU and Human Rights, Ministry of Justice
- **Mr. Dražen IVANUŠEC**, Director, Directorate for the public procurement system, Ministry of Economy, Labour and Entrepreneurship

on behalf of the Government of the Republic of Croatia;

- **Ms Alexandra CAS GRANJE**, Director of Directorate B (Turkey, Croatia, the Former Yugoslav Republic of Macedonia and Iceland), Directorate General for Enlargement, on behalf of the European Commission.

The members of the Joint Parliamentary Committee addressed the following subjects:

- State of play of the accession negotiations and EU-Croatia relations, notably in the light of the recent EC Progress Report
- Situation of the judiciary, implementation of reforms and perspectives for further improvements
- Cooperation with the ICTY and domestic war crimes trials

- Public procurement in Croatia:
- The perspectives for the EU under the Lisbon Treaty
- EU response to the climate change challenges and Croatia's position

The Joint Parliamentary Committee, in accordance with Rule 3 of its Rules of Procedure and Article 116 of the EU-Croatia Stabilisation and Association Agreement, addressed the following Declaration and Recommendations to the Stabilisation and Association Council, the institutions of Croatia and of the European Union:

On EU-Croatia negotiations for accession to the EU and the implementation of the Stabilisation and Association Agreement

1. welcomed the resumption of EU-Croatia negotiations on 2 October 2009, after more than nine months of blockade and the overall good progress achieved by Croatia, despite the unfavourable situation, in its preparation for the accession to the EU and in particular in the harmonisation of legislation, transposition of the acquis and carrying out of reforms; considered that the negotiations have to proceed smoothly, with a view to completing them by mid-2010, provided that Croatia meets all the opening and closing benchmarks;
2. welcomed the Arbitration Agreement subscribed on 4 November 2009 by the Prime Ministers of Croatia and Slovenia in Stockholm, which constitutes an important political milestone towards a definitive and mutually acceptable solution to the open border issue between the two countries; invited the Parliament of Slovenia to ratify that Agreement as soon as possible; encouraged Croatia and its neighbours to continue enhancing work for finding definitive solutions to pending bilateral issues, in particular those on borders; in this regard, commended the progress achieved by Croatia in the negotiations with Montenegro as well as the Croatian initiative to invite Serbia and Bosnia and Herzegovina for bilateral talks on border demarcation; underlined that bilateral issues should not, as such, jeopardize or slow down the accession negotiations process, or the European integration process;
3. welcomed the opening of six new Chapters since the last JPC which brings, so far, to twenty-eight the number of opened negotiation chapters as well as the provisional closure of five more chapters bringing the total number of provisionally closed chapters to twelve; was pleased to note the progress in the fulfilment of benchmarks with a view to the opening and closing of the remaining negotiations chapters during the Swedish and Spanish presidencies;
4. welcomed the overall positive assessment of the implementation of the Stabilisation and Association Agreement; however, encouraged Croatia to constructively address the issue of remaining safeguard measures on cheese products imported from the EU;
5. as regards financial management of EU funds, was pleased to note the efforts invested by the Croatian Government to strengthen the administrative capacity of all relevant agencies and bodies and reiterated the need to pursue efforts for improving their capacity and functioning both at the central and especially at the local level; congratulated Croatia on having achieved conferral of decentralized management powers for IPA components I

and IV and on having finalized preparations for implementation of IPA component V (IPARD);

6. looked forward to the entry into force of the Lisbon Treaty, on 1st December 2009, and observed that the improved institutional rules for the functioning of the European Union contained therein will facilitate Croatia's EU accession and accession of other candidates in the future, once all criteria have been met;

On the political criteria:

7. welcomed Croatia's institutions' conscious efforts and work to continuously address all matters related to the political criteria and in particular the ongoing reforms of the judiciary and public administration, the fight against corruption and organised crime and the sector of fundamental rights, freedom and security, in accord with EU requirements;

- the judiciary

8. expressed their satisfaction for the continuation of important reforms and the diminishing backlog of cases and reduction of the court network with a view to improved efficiency, but stressed the need of continuous work for the enhancement of the judicial institutions and courts' efficiency, in particular on effective merging and reduction of the number of the various kinds of courts, on the resolution of enforcement cases, on the excessive length of proceedings, on the improvement of instruments at disposal for case management and case tracking in courts, on consistent investment in judicial infrastructure, as well as on further improvement of impartiality, independence and professionalism of the judiciary and thus on the quality of judicial decisions also through more transparent selection procedures, career management systems and continuous training;

- public administration

9. noted the adoption of important legislation (Law on General Administrative Procedure, amendments to the Civil Service Code of Ethics) and decisions, such as that on the establishment of a Ministry for Administration, for achieving a better functioning and depoliticised public administration in Croatia and looked forward to more political attention for this sector and coherent implementation; encouraged the relevant authorities to pursue work, without delay, on the merit-based system of promotion of civil servants, the new salaries, training and decentralisation;

- fight against corruption and organised crime

10. was pleased to note that the legal framework for combating corruption has been further improved, whilst noting that additional progress is needed in the fight against corruption ; welcomed the stepped-up activities of the Office for the Suppression of Corruption and Organised Crime (USKOK), thanks to which an increasing number of cases are being processed and looked forward to their continuation; looked forward to successful results of the ongoing investigations, especially with regard to high level corruption cases; welcomed the establishment, in February 2009, of the National Police Office for the Fight

Against Corruption and Organised Crime (PNUSKOK); encouraged Croatia to address the problem of investigation of high-level corruption cases, to focus on the implementation of all the adopted measures, on the coordination and monitoring of action in relation to the fight against corruption, on further implementation of measures to deal with conflict of interest, on the improvement of the expertise of USKOK and PNUSKOK on financial issues, on the improvement of the transparency of financing of political parties as well as on ensuring timely judicial follow-ups; encouraged the Parliament to promote a culture of political accountability in the country;

11. welcomed the progress observed in institutional re-arrangements, co-ordination of work, training and exchange of information, as well as the progress of activities regarding cross-border co-operation and the fight against trafficking in human beings and drugs, but expected further concrete results in tracking down organised crime, especially in the administrative capacity, impact assessment and equipment ; urged the Croatian authorities to enhance their expertise and strengthen their action against money laundering; invited Croatia to address the various loop-holes in its judicial system in relation to full alignment with the EU acquis in the sector of judicial co-operation in civil and criminal matters;

- minorities' rights and refugee return

12. welcomed the progress achieved by Croatia in the area of minority rights, cultural rights and protection of minorities; recommended to Croatia to pay continuous attention to the implementation of the Constitutional Law on National Minorities, particularly in its provisions related to the employment of members of national minorities; recommended increased participation of national minorities in representative and executive bodies of regional and local government and self-government, according to the Constitutional Law on National Minorities; encouraged Croatia to continue its efforts with regard to representation of minorities, both at state and at the local level, in the public administration, the judiciary, the police and with regard to producing and broadcasting programmes in the languages of the minorities by public radio and TV stations ; welcomed Croatia's positive results in the field of Roma integration and encouraged the country to continue the efforts aimed at the Roma's full participation in the society and at the improvement of their living conditions; encouraged Croatia to promote tolerance and full integration, as well as to ensure appropriate protection for the members of the Serb minority, including those who may still face hostility as returnees;
13. welcomed the overall progress and stressed the utmost importance of refugee return and refugee re-integration, including the reconstruction and repossession of housing, the challenging implementation of housing programmes for former tenancy rights holders and the steps to be taken to resolve the issue of validation of pension rights; took note of the fact that Croatia's implementation of its 2009 housing programme is still at an early stage due to the effects of the global economic crisis and to budget restrictions and that the programme will need to continue in 2010 and perhaps beyond, requiring sustained commitment of the competent authorities; stressed the utmost importance of the creation of conditions for sustainability in the areas of return;

- cooperation with ICTY and domestic war crimes trials

14. encouraged Croatia to continuously pursue full cooperation with the ICTY and asked that all existing and available documents pertinent to ongoing cases, requested by the Tribunal, notably those to be used in the trial against generals Gotovina, Cermak and Markac be quickly made available to it; expressed the hope that the Croatian Inter-Agency Task Force recently established to investigate the location of the above-mentioned documents will prove successful; supported the Croatian initiative of involving a third party in the work of this special Task Force and invited the EU Council to decide on the opening of negotiations on Chapter 23 - Judiciary and Fundamental Rights as soon as possible, which would additionally encourage Croatian internal reforms; invited Croatia to address the problem of lack of extradition agreements for persons convicted of war crimes; encouraged Croatia to address the impunity of war crimes and to achieve further progress towards impartiality in the conduct of domestic war crime trials; looked forward to an improvement of the prosecutions record, also through better use of the specialised war crimes courts;

On freedom of the media

15. called on the police and the judiciary to continue resolutely the investigation and prosecution of the cases of intimidation of journalists who were working on cases of war crimes, corruption and organised crime; stressed the importance of freedom of speech, freedom of press and overall freedom of expression as an essential part of the human rights and in particular as an essential instrument of civil society for the fight against corruption and organised crime;

On public procurement and economic restructuring

16. welcomed the good progress achieved in legislative alignment and in the establishment of essential instruments and regulations, like those related to concessions and public-private partnerships and the overall positive perception of the public procurement policy by economic operators and contracting authorities; underlined the need, however, to further increase the level of sensitivity as regards potential conflict of interest and integrity and urged the concerned authorities to step up their efforts to reduce the scope for corruption and fraud in public procurement, through strengthened transparency, administrative capacity and improved scrutiny of the actual execution of contracts;
17. welcomed progress made by launching the first round of tender for the privatisation of the shipyards in difficulty, while reiterating that substantial efforts are still necessary to complete the restructuring of the six ship-yards and asked the state to further limit its intervention in the economy, to render the labour market more flexible and to facilitate investment activities in infrastructure, especially transport and energy efficiency and security;

On climate change global challenges

18. welcomed Croatia's efforts to implement an energy efficiency policy and to promote the use of renewable energy sources complying with the latest EU strategy; also in the light of the run up to the Copenhagen climate change conference at the end of 2009, welcomed Croatia's intention to replace, upon membership in the EU, its original targets with the EU targets and called on the EU to provide assistance, guided by a spirit of responsibility and solidarity;

Concluding remarks

19. recalled that Croatia's successful accession is key to opening up the path to the Western Balkan countries, for which the prospect of EU membership is a powerful incentive for political and economic reforms and for strengthening stability and good neighbourly relations; welcomed Croatia's declared and actual commitment to share its experience and assist its neighbours in their future accession process;
20. welcomed Croatia's participation in the EU civilian and military missions as well as its alignment with the majority of EU declarations and common positions;
21. were confident that Croatia would do everything in its power to achieve the target of finalizing accession negotiations by mid-2010 and expressed their hope to be able to welcome soon Croatian observers to the European Parliament, in the aftermath of the signature of the Accession Treaty;
22. decided to continue, in principle, the activities of the JPC after the signature of the Accession Treaty and until Croatia's actual accession to the EU, as the Joint Parliamentary Committee is a valuable forum for political dialogue, exchange of experiences and an instrument for leverage of political wills even in the final stage of preparation for accession.
