

EU - CROATIA JOINT PARLIAMENTARY COMMITTEE

4th Meeting

3 - 4 October 2006

Brussels

**DECLARATION and RECOMMENDATIONS
(adopted on 4 October 2006)**

**4 October 2006
SMZ/pel**

The Joint Parliamentary Committee EU-Croatia held its 4th meeting on 3-4 October 2006 in Brussels, under the co-chairmanship of Mr. Pal SCHMITT (HU, EPP-ED), for the European Parliament, and of Mr. Gordan JANDROKOVIĆ (HDZ -Croatian Democratic Union), for the Croatian Parliament.

It exchanged views with:

- **Mr Kare HALONEN**, Director General for European Affairs, on behalf of the Presidency-in-Office of the Council of the European Union;
- **Mrs Tamara OBRADOVIĆ**, Assistant Minister of Foreign Affairs and European Integration and Secretary of the Negotiation Team for Accession of Croatia to the EU;
- **Mrs Snjezana BAGIC**, State Secretary, Ministry of Justice, Member of the Negotiation Team for Accession of Croatia to the EU;
- **Mr Zeljko TOMSIC**, Assistant to the Minister of Economy, Labour and Entrepreneurship (responsible for the Energy sector) on behalf of the Government of the Republic of Croatia;
- **Mr Pierre MIREL**, Director at the Directorate General "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, of the screening process and the EU-Croatia relations
- Reform of public administration, and ongoing reforms of the police and of the intelligence services
- Situation of the minorities in Croatia, with a particular view to representation in State Institutions, education facilities and job opportunities
- Situation of the judiciary, implementation of reforms and perspectives for further improvements; information on ongoing domestic war crimes trials
- Functioning of local institutions, with a particular view to their role in economic development
- Regional co-operation in the field of energy

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

1. congratulated Croatia, one year from the opening of the accession negotiations with the European Union on October 3, 2005 in Luxembourg, for its dynamic and positive contribution to the screening process, which is, as originally scheduled, about to be completed, and for the remarkably good preparation of Croatian negotiators and officials involved;

2. welcomed the opening and provisional closure of Chapter 25 on Science and Research, looked forward to the expected opening of Chapter 26 on Education and Culture, as well as to further opening of negotiations chapters by the end of the year; recommended to Croatia to prepare for the fulfilment of

the benchmarks, which were already communicated to Croatia, in relation to the opening of negotiations in certain chapters;

3. supported the intention of Croatia to proceed smoothly in the negotiations process, with the objective of full membership in the European Union, and its aim of enabling its citizens to participate in the next European elections in 2009, keeping in mind that progress will also depend on the fulfilment of Croatia's obligations under the Stabilisation and Association Agreement and the necessary institutional arrangements in the European Union;

4. welcomed the commitment of the Croatian Government to political and economic reform, and its efforts for alignment with the EU acquis, and in particular the important progress already achieved in areas such as company law, financial services, intellectual property rights, or transport, hoping that this progress would duly be taken into account in the forthcoming Commission's Progress Report;

5. expressed the wish that the Croatian Parliament will focus on the core of preparations for accession to the EU and that all Croatian institutions will fully understand and contribute to its work, which should not be affected by the domestic pre-electoral campaign;

6. welcomed Croatian efforts for setting up future coordination and implementation bodies, following adoption, on 17 July 2006, of the IPA regulation, in connexion with the financial perspectives 2007-2013, and in particular with budget 2007, which will replace pre-accession Phare, Ispa and Sapard instruments for the strengthening of capabilities for the implementation of the *acquis communautaire* and the modernisation of some key sectors such as the judiciary or agriculture;

On the political criteria:

7. stressed that all matters related to the sound functioning of the rule of law, and in particular the reforms of the judiciary and of public administration, the fight against corruption and organised crime are priorities of high importance for the country itself, and not only in view of its accession to the EU;

8. recalled the importance of the political principles enshrined in the Stabilisation and Association Process for South East Europe having a clear regional dimension, like protection of minorities, refugee return, and in particular:

on the situation of minorities and refugee return

- encouraged Croatia to accelerate the implementation of the Constitutional Law on National Minorities, overcoming the current organisational, logistic and financial challenges; invited the Croatian authorities to devote special attention to creating more employment opportunities for minority citizens in the public sphere, for example in the police and in the judiciary, and in the war affected areas;

- welcomed the new Law on Counties, Cities and Municipalities, entered into force in July 2006, which broadens the obligation to introduce official use of languages and scripts of national minorities in the units of local and regional self-government;

- recalled that Croatia, together with Serbia and Bosnia and Herzegovina, set up in the *Sarajevo Declaration* the goal to close the refugee return issue by the end of 2006; recognised progress already made and noted that, in order to achieve the objective, all the three countries should step up their efforts and Croatia should complete implementation of the provisions for public infrastructure and housing for returnees, including former tenancy rights holders;

on the reform of public administration, ongoing reforms of the police and of the intelligence services

9. welcomed the recent Government's Decrees on the assessment of work and efficiency of civil servants and the Decision to centralise payment of salaries to employees who depend from the Croatian State into the Financial Agency FINA, but recalled that the European Commission and International Financial Institutions still find that progress requires :

- professionalisation of the State administration;
- finalisation of the civil service legal framework;
- improvement of the role of the Central State Office for Administration as a driving force for the public administration reform and training;

10. took note with satisfaction of the intentions of the Government in the field of transfer of power, according to which civil servants, as well as Municipality, City and County employees appointed through administrative competition, will not have to offer their mandates at the disposal of the winners after elections and would not be recalled by a political decision;

11. welcomed the steps taken by the Government in developing the Programme Guidelines on the police reform 2004-2007 in accordance with the EU standards, aiming at further strengthening the rule of law; took note that initial reform of the human resource management system and full implementation of community policing concept should be well underway by the end of 2006; emphasized in particular:

- the need for continuous work on bolstering maximum professionalism of the police forces and further promoting a firm policy of zero tolerance towards organised crime;
- achieving a better staffing for community policing, especially in the return areas where reconciliation requires additional support;

12. welcomed the new law entered into force in August 2006 streamlining the security and intelligence systems and stressed the important role of the Parliament in the democratic control of those services;

13. whilst emphasizing that the fight against corruption remained a major challenge for the Government, welcomed the very convincing and far-reaching anti-corruption programme developed by the Government, based on precise data as to the level of corruption in the country, and backed by the activities of the Office for the Suppression of Corruption and Organised Crime (USKOK), which has been charged with ensuring the implementation and enforcement of the legal framework; welcomed the recent Decision of Parliament to establish a Monitoring National Committee for the Implementation of the National Programme of 31 March 2006 for Suppression of Corruption (2006-2008); welcomed the recent public debate taking place on the draft law on the financing of political parties;

- situation of the judiciary, implementation of reforms and perspectives for further improvements

14. stressed that further improving of the functioning of the judiciary remains a major challenge for

Croatia and encouraged the Government to strengthen its tackling of the most critical shortcomings such as backlog of cases, duration of the proceedings and enforcement of the courts' rulings, as well as inadequacies at the level of recruitment and training of the magistrates, and cases of corruption, in the framework of the Judicial Reform Strategy implementation;

15. concerning war crimes trials at the initiative of Croatia, welcomed the progress ongoing on tackling the unbalances in ethnic prosecution, especially in the local courts, and invited all the concerned players, from Croatia and the neighbouring countries, to improve their inter-governmental cooperation; judged essential to further improve the efficiency of the witness protection system;

16. following the cases of referral to Croatia of trials concerning persons already indicted by the Tribunal of The Hague, was confident that Croatia, with the international monitoring agreed and with a strengthened system of witness protection, would be able to deal with transferred war crimes trials adequately;

On Croatian economy and the privatisation process

17. was pleased to note the stable macro-economic situation of Croatia and its good integration in the EU and regional trade system; in order to consolidate it and to prepare for EU accession, it recommended to the Government to further encourage fair competition and attract foreign investment, also through modernisation of tools, such as the land register;

18. called on the Government to accelerate the restructuring and privatisation process of the largest state-owned enterprises in important economic sectors such as the ship-building, the railways and steel; reiterated that Croatia has to honour its commitments under the Stabilisation and Association Agreement related to competition in economy and the rules on the State aids;

On regional co-operation and neighbourhood issues

19. emphasising the importance of regional co-operation and good neighbourly relations as parallel and complementary processes to European integration, supported the positive efforts of Croatia for the further strengthening of relations with its neighbours and for actively pursuing initiatives in all matters of common interest, thus acting as a factor of stability for the region;

20. encouraged and strongly supported Croatia's commitment and efforts to further develop trade liberalization in the region through the amendment and membership enlargement of the CEFTA Treaty, which should be a useful instrument for all countries in South East Europe;

21. welcomed the current Croatian chairmanship of the South East Europe Co-operation Process (SEECF) and the active role of the country in promoting initiatives on security, economic development, and others; reminded that SEECF members have agreed to establish a Council for Regional Co-operation, which mandate and technical aspects need to be defined now; took note with satisfaction that the European Commission is willing to co-finance the Council;

22. in the light of continuously increasing sensitivity of the energy supply as a global worldwide problem, took the view that regional experiences such as that of the Energy Community Treaty acquire more and more value and should be strengthened; welcomed the positive contribution of Croatia to the implementation of the Treaty, in particular through its chairmanship of the Athens process, in the interest of both the region and the EU;

23. expressed the expectation that Croatia will continue to contribute constructively to resolving the

outstanding bilateral issues;

On the future of Europe

24. encouraged Croatia, as a candidate and negotiating country, to take an active part in the debates on the future of Europe contributing to the development of the best possible constitutional framework for the enlarged Union;

25. to improve perception and understanding, by the Croatian citizens, of the advantages and constraints of the Croatian process of accession to the EU and future membership, and to combat scepticism or mistrust towards the EU, considered it extremely important that the EU carries out a consistent and long-term information policy, corroborated also by an efficient communication policy by the Croatian Government.

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