

EU - CROATIA JOINT PARLIAMENTARY COMMITTEE

**Seventh Meeting
29-30 April 2008
Opatija**

DECLARATION and RECOMMENDATIONS *adopted on 30 April 2008*

The Joint Parliamentary Committee EU-Croatia held its 7th meeting on 29-30 April 2008 in Opatija (Croatia), under the co-chairmanship of Mr Mario ZUBOVIC (HDZ -Croatian Democratic Union), for the Croatian Parliament and of Mr Pal SCHMITT (HU, EPP-ED), for the European Parliament.

It exchanged views with:

- **H.E. Mr. Milan OROŽEN ADAMIČ**, Ambassador of Slovenia to Croatia, on behalf of the Presidency-in-Office of the Council of the European Union;
- **Mr. Damir POLANČEC** Vice Prime Minister and Minister of Economy, Labour and Entrepreneurship
- **Mr. Gordan JANDROKOVIĆ** Minister of Foreign Affairs and European Integration
- **Mr. Antun PALARIĆ** State Secretary, Central State Office for Public Administration
- **Mr. Kristijan TURKALJ** Ministry of Justice, Member of the Negotiations team responsible for the Chapter 23. Judiciary and Fundamental Rights and Chapter 24 - Justice, Freedom and Security

on behalf of the Government of the Republic of Croatia;

- **Mr Vincent DEGERT**, Ambassador, Head of the European Commission Delegation in Zagreb, 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 overall preparations for the accession of Croatia to the EU,
- Regional implications of the Croatian EU accession process: EU commitment and regional cooperation

- Current functioning and state of implementation of the reform of judiciary, with special regard to alternative forms of dispute resolution
- The shipbuilding industry in Croatia: exchange of views on the most important features of the sector and the restructuring programmes
- Current functioning and state of implementation of the reforms in the sector of public administration, with special regard to regional and local levels and to the management of EU funds
- The protection of environment in Croatia

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 overall efforts and achievements of the Institutions of Croatia, including during the delicate phase of preparation, conduct and follow-up of the legislative elections of November 2007 and reviewed with satisfaction the negotiation process over the months since the last JPC; considered that the negotiations should as from now proceed more and more smoothly and at an accelerated pace, in particular during the remaining part of the Slovenian Presidency and the French Presidency-in-Office; asked the Slovenian Presidency-in-office to open all the remaining chapters and the two following Presidencies of the Council of the EU to close them as soon as possible;
2. recalled the European Parliament's resolution of 10 April 2008 which shares the Commission's view that, with increased efforts on the part of Croatia and continuous support by the EU Institutions, accession negotiations should, in any event, be concluded in 2009;
3. welcomed the opening, so far, of eighteen negotiation chapters as well as the provisional closure of two of them (Chapters 25 on Science and Research, and 26 on Education and Culture); was pleased to note the progress in the fulfilment of benchmarks with a view to the opening of negotiations on several important chapters (Employment and Social Policy; Free Movement of Capital; Environment; Regional Policy for example); noted that closing benchmarks have been set in all the chapters opened; reminded Croatia of the Commission's readiness, should Croatia be able to meet all opening benchmarks by June 2008, to comply with all legal obligations under the Stabilisation and Association Agreement and to improve its management of EU financial assistance, to submit this Autumn a calendar for the conclusion of negotiations before the next European Parliamentary elections in 2009;
4. expressed satisfaction that, should Croatia meet these conditions, the European Parliament could welcome Croatian observers in 2009;

5. was pleased to note that Croatia has contributed to the smooth functioning of the various joint bodies connected to the Stabilisation and Association Agreement and that the implementation of the latter has continued without major difficulties;

6. as regards financial management, further encouraged the efforts invested by the Croatian Government to continue strengthening the administrative capacity of all relevant agencies and bodies, including those at the local level, in order to benefit intensively from the pre-accession assistance programmes and commended all Croatia's efforts related to the preparation for a decentralised implementation system for IPA programme (conferral of management powers to Croatian institutions);

7. commended the active and important role played by the National Committee charged with the monitoring of the accession negotiations, underlined that the negotiation process must be conducted in an open and transparent way, in order to ensure continued political consensus and public support; asked the Commission and Croatia to do the utmost for an effective and comprehensive information campaign in Croatia, as the negotiations proceed;

On the political criteria:

8. congratulated Croatia on the adoption of key pieces of legislation and stressed that all matters related to the rule of law, and in particular the reforms of the judiciary and public administration, the fight against corruption and organised crime are priorities of high importance to be dealt with continuously;

- the judiciary

9. took note with satisfaction of the reduction of the backlog of pending and enforcement cases and the ongoing digitalisation of the land register; having taken note of the Government's draft law "on the Territories and Seats of Courts", encouraged it to pursue the rationalisation of the system of the Courts, which should go hand in hand with consistent investment for judicial infrastructure; a further improvement of impartiality, independence and professionalism of the judiciary, also through the career management system and well planned training; the development of alternative methods of dispute resolution;

10. welcomed the continuation of full cooperation of Croatia with the ICTY; encouraged the Croatian authorities to pursue continuous impartiality and professionalism for the conduct of domestic war crime trials;

- public administration

11. noted the assessment of the European Commission in the Croatia Progress Report of 6 November 2007 on overall limited progress in the area of public administration reform and expressed the hope that the Public Administration Development Strategy recently adopted by the Government may become, through a strengthened political consensus and renewed commitment to its implementation, a really comprehensive strategic framework, also targeted to public service at regional and local levels; encouraged to continue with the de-politicisation of the Croatian public administration and merit-based personnel policy as well as with the completion of the establishment of Human Resources Management Departments

across the Croatian state administration and to pursue a better understanding and support for their mandate, especially at senior officials level;

12. whilst emphasizing that the fight against corruption remains a challenge for Croatia and that additional progress is needed, was pleased to note that the legal framework to combat corruption has been further improved; 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, especially with regard to high level corruption cases, as well as to the continuation of awareness raising campaigns; welcomed the legislative draft of the Act on Amendments to the Act on the Prevention of Conflict of Interests, which is in the parliamentary procedure with a view to further increase transparency and strengthen the sanctions and encouraged Croatia to strengthen the implementation of measures preventing the conflict of interest;

- on the situation of minorities and refugee return

13. congratulated Croatia on the appointment of a Serb minority representative as Deputy Prime Minister responsible for regional development, reconstruction and the return of refugees and IDPs; took note of Croatia's increased attention to the implementation of the Constitutional Law on National Minorities, particularly of its provisions related to the employment of members of national minorities; encouraged Croatia to continue its efforts with regard to representation of minorities in state administration, the judiciary and the police and to improve the consolidation and accuracy of statistical data related to the fulfilment of the standards established in the Constitutional Law;

14. welcomed the overall progress achieved as regards refugee return, reconstruction and repossession of housing, while underlining that the implementation of housing or compensation programmes for former tenancy rights holders should be stepped up; encouraged the Croatian authorities to pursue a more comprehensive policy to address disadvantage and social exclusion and to create the economic conditions necessary for the sustainability of refugee return; invited Croatia to continue engaging itself in regional discussions on this issue;

On the regional implications of the Croatian EU accession process and regional cooperation

15. welcomed the positive efforts of Croatia for the further strengthening of multi-lateral relations with its neighbours and for actively pursuing initiatives in all matters of common interest, thus acting as a dynamic player in the region;

16. confirmed that Croatia's EU accession process has wider regional implications, can be seen as a test of the commitments made by the EU to the countries of the Western Balkans and should become a significant incentive for all the other countries of the region;

17. encouraged Croatia and its neighbours to continue enhancing work for finding definitive solutions to all pending bilateral issues, in particular those on borders; recalled that addressing border-related issues is defined as a priority for Croatia in the Accession Partnership; were

pleased to note that the Prime Ministers of Croatia and Montenegro recently agreed to submit the Prevlaka sea border demarcation issue to the International Court of Justice for arbitration;

18. welcomed the decision adopted on 13 March 2008 by the Croatian Parliament according to which the Ecological and Fisheries Protection Zone shall not apply, provisionally, to the EU Member States, until a common agreement in the EU spirit is found and took note of the Conclusions in that respect of the 4th Meeting of the Stabilisation and Association Council between the European Union and Croatia held on 28 April 2008 in Luxemburg;

On Croatian economy and the shipyards

19. was pleased to observe that the Croatian economy continues to grow in a stable and open environment; encouraged the Croatian authorities to maintain a high priority for structural reforms, including enterprise restructuring and transparent completion of privatisation, to further improve the business environment and to involve local government in those reforms; encouraged Croatia to continue to maintain a lively social dialogue, especially in the intense and delicate period of preparation for EU accession;

20. reminded Croatia that one of the key priorities of the Accession Partnership entails reducing subsidies, restructuring large loss-making enterprises and increasing the efficiency of public spending; after having accomplished a fact finding visit to the shipyard "3 May" in Rijeka, confirmed that special attention should be devoted to the individual restructuring plans for the shipyards in difficulty, including compliance with the EU rules on State aids and the SAA provisions, but also with special attention to the social dialogue in this traditional strategic sector, with a view to restore long-term viability;

On the protection of the environment

21. having in mind the special importance of the protection of the environment for a country like Croatia, welcomed the good progress achieved as far as the adoption of legislation on climate changes, air quality, waste management and chemicals is concerned; encouraged the Government to continue to improve administrative capacities at all levels, to pursue a better coordination of the activities of the various agencies involved and to streamline environment protection in all the country's policies with a view to sustainable development; encouraged the relevant authorities to continue to promote awareness-raising campaigns for the national public and the tourists.
