

The “European Affairs in the Croatian Parliament” bulletin is published monthly by the European Affairs Department. It provides the reader with an overview of parliamentary activities in the field of EU affairs and inter-parliamentary cooperation as well as with access to EU documents forwarded to national parliaments.

In Focus

European Semester Winter Package 2019

In its annual assessment of the economic and social situation in the Member States, the European Commission stressed the need to promote investment, pursue responsible fiscal policies and implement well-designed reforms. Challenges vary significantly across countries and call for appropriate and determined policy action.

This review of country-specific challenges comes against the backdrop of a European economy that is expected to grow for the seventh consecutive year in 2019, but at a more moderate pace. Employment is at a record high and unemployment at a record low. Public finances have also improved across the board, although some countries are still facing high levels of debt. However, challenges remain. Productivity levels remain subdued, population ageing is intensifying and rapid technological change is having a significant impact on labour markets. Real household income remains below pre-crisis levels in some Member States. Youth unemployment has been significantly reduced, but is still unacceptably high in some Member States. At a time of more pronounced global uncertainty, it is crucial that EU Member States step up their action to boost productivity, improve the resilience of their economies and ensure that economic growth benefits all citizens.

Following the publication in November of the Annual Growth Survey and the recommendation on the economic policy of the euro area, which set out the priorities at European level, [28 Country Reports](#) zoom in on the national dimension of the European Semester. The reports provide a detailed analysis of country-specific economic and social challenges. They will serve as the basis for discussions with Member States of their national policy choices ahead of their national programmes in April, and will lead to the formulation in late spring of annual Country-Specific Recommendations.

As a novelty, the Commission launches a discussion on investment challenges and priorities in the Member States and sets out first ideas as to how EU funds, in particular EU Cohesion Policy funds, can help in the forthcoming programming period 2021-2027. This will also serve to ensure greater coherence between the coordination of economic policies and the use of EU funds, which are a significant part of public investment in several Member States. This new focus is reflected throughout the Country Reports and a new annex on the possible use of future EU Cohesion Policy funds is attached to each Country Report.

The Country Reports assess Member States' progress in implementing the Country-Specific Recommendations of July 2018. Overall, Member States have achieved some or more progress with the implementation of more than two-thirds of the recommendations issued since the introduction of the European Semester in 2011. Member States have made most progress on the recommendations on financial services, reflecting the priority given to the stabilisation and soundness of the financial sector in the aftermath of the financial crisis.



Activities of the Croatian Parliament in the Decision-Making Process

Activities of the parliamentary committees

Parliamentary committees discussed [European documents](#) in accordance with the Work Programme for the Consideration of the Positions of the Republic of Croatia for 2019.

Monitoring the work of the Government in the European Union institutions

European Council

According to Article 11, paragraph 2 of the Law on Cooperation between the Croatian Parliament and the Government of the Republic of Croatia in the European Affairs, the Government of the Republic of Croatia has submitted to the European Affairs Council its position for the European Council meeting and the extraordinary meeting of the European Council – Art. 50 which were held on March 21 and 22, 2019.

Council

The Croatian Government submitted to the relevant parliamentary committees its positions for March Council meetings:

- 3675 Transport, Telecommunication and Energy Council
- 3676 Environment Council
- 3677 Justice and Home Affairs Council
- 3678 Economic and Financial Affairs Council
- 3679 Employment, Social policy, Health and Consumer Affairs Council
- 3680 Agriculture and Fisheries Council
- 3681 Foreign Affairs Council
- 3682 General Affairs Council

General Affairs Council (Art. 50)

Application of EU law

In March 2019, the Croatian Parliament enacted [3 laws](#) in the process of harmonization with European Union law.

EU documents Forwarded Directly to the Croatian Parliament

According to the Protocol (no 1) on the Role of the National Parliaments in the European Union, all draft laws and communications shall be forwarded directly to the national parliaments.

The Croatian Parliament publishes on a daily basis the EU documents received, along with the information on: document number, adoption procedure, transmission date and subsidiarity deadline.



Interparliamentary Cooperation in the European Union

Interparliamentary cooperation in the European Union encompasses the cooperation between the European Parliament and the national parliaments and the cooperation among the national parliaments in the frame of the parliamentary dimension of the Council Presidency.

In March 2019, the Croatian Parliament representatives participated in the following meetings:

8 March – Bucharest - Inter-Parliamentary Conference for the Common Foreign and Security Policy and the Common Security and Defence Policy (CFSP/CSDP)

A delegation of the Croatian Parliament, comprising the Chairman of the Foreign Policy Committee Miro Kovač, the Chairman of the Defence Committee Igor Dragovan, the Deputy Chairman of the Foreign Policy Committee Joško Klisović and the Deputy Chairman of the Defence Committee Anđelko Stričak, participated in the Inter-Parliamentary Conference on the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP) of the European Union.

The Conference was held in Bucharest within the framework of the Romanian EU Presidency on 7 and 8 March 2019. The Conference brought together members of the national parliaments of the European Union member states and of the European Parliament, as well as parliamentarians of the candidate countries and potential candidate countries. It was focused on the EU's priorities in the area of CFSP and CSDP, Eastern Partnership, Black Sea Region, security and defence within the framework of the Permanent Structured Cooperation (PESCO), the Coordinated Annual Defence Review (CARD) and the European Defence Fund (EDF), as well as on the European prospects of the Western Balkan countries.

As part of the conference, workshops were organized on the future of the CFSP and CSDP in the circumstances of Brexit, the EU's military mobility and the development of synergies between NATO and the European Union, EU Strategy for the Danube Region, cyber security and hybrid warfare. In the context of strengthening European defence capability, Miro Kovač stressed that the implementation of established mechanisms required a consensus at the highest level among all EU member states.

The Inter-Parliamentary Conference was established to strengthen the role of the national parliaments of the EU member states and the European Parliament in the field of foreign affairs, security and defence policy of the European Union. It is held every six months in the country holding the presidency of the Council of the European Union and it discusses the current foreign policy issues as well as matters related to security and defence.

19 – 20 March – Bucharest - Interparliamentary Conference on the Cohesion and Agriculture policies

Chairman of the Agriculture Committee Tomislav Panenić participated in the work of the conference on the Common Agricultural Policy (CAP) and Cohesion Policy, held within the scope of the parliamentary dimension of the Romanian EU Council Presidency.

The main topics of the conference pertain to the adoption of the new legislative framework of the Common Agricultural Policy, the proposal for reduction in the CAP budget and the current effects of market volatility on European farmers. Referring to the need of creating more efficient policies for small agricultural producers, Panenić pointed to the problem of younger EU Member States which have become raw material bases, with a simultaneous reinforcement of the trends in processing capacity development in more developed economies. This is negatively affecting small producers' competitiveness in new Member States and migration of labour to the older Member States.



He also pointed to the problems facing farmers and residents of EU border areas who do not enjoy the benefits of EU membership of their countries, and who are subject to a more restrictive border crossing regime and additional conditionality in their daily life and business.

In the debate most participants expressed their concern about the announced cuts in the budget for CAP and Cohesion for the next programming period and stated that more conditionality would increase the production costs and that specific positions of the Member States and production conditions prevailing in them would have to be taken into consideration when deciding on the new CAP. They also stated that the decision on implementing the reduction in direct payments and eco-scheme should be a matter for the Member States. It was also heard that the CAP measures and activities should be defined more clearly, particularly with a view to the drafting and adoption of national strategic plans.

During the debate it was also stated that the legislative framework for the new CAP should be adopted only after the adoption of the Multiannual Financial Framework and that in the meantime consideration should be given to the items of the CAP budget.

Interparliamentary activities in April 2019

1 – 2 April – Bucharest - Conference on the Future of EU

2 April – Bruxelles - Interparliamentary Committee Meeting of Committee on the Foreign Affairs (AFET) on "Current challenges for EU Foreign and Security policy".

8 – 9 April – Vienna - Conference of Speakers of the European Union Parliaments

