



## **The Enlargement of the European Union**

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### **I. Introduction**

The EU originally had six founding members. Following four enlargement rounds it unites today 15 Member States. Through more and more economic and political integration this development ensured for the western European democracies peace and stability and created a durable base for growth, prosperity and jobs. Thus the EU became an example of successful cooperation and integration with a high attractiveness for ever more states. For the time being the EU is negotiating with 12 countries for membership and has granted candidate status to another one.

### **II. The Beginning of the Process**

After the end of the cold war, with the fall of the Berlin wall, the EU was confronted with a completely new political challenge. On the one hand the new democracies in Central and East Europe oriented themselves very quickly towards the EU with the aim to participate equally in it. On the other hand those hurdles, which limited up to now their integration to the western European area fell. In addition it became obvious that the integration goals of the EU demanded the inclusion of the new democracies in the integration process, in order to overcome the divided Europe of the past.

The beginning of this process was launched with the Europe Agreements, with which the EU committed itself to support the new democracies during the transformation process. On that basis, an intensive cooperation started, marked in particular by mutual market opening in goods and services. In these agreements, which first were signed with the so-called Visegrad states (Czechoslovakia at that time, Hungary and Poland), a potential full membership of these countries was already promised explicitly.

At the European Summit in Copenhagen in June 1993 the EU opened an accession perspective to those states, with which it had concluded Europe Agreements. This applied first to six states (Bulgaria, Poland, Romania, Slovakia, Czech Republic, Hungary). Slovenia and the three Baltic states were

admitted later to the group of the applicant countries. In Copenhagen the EU decided as well on the criteria, which have to be formally fulfilled by a country before its accession.

The so-called Copenhagen criterias are:

- guaranteed democratic and constitutional order, protection of human rights as well as respect and protection of minorities (political criteria);
- a functioning free-market economy as well as the ability to withstand the competitive pressure and the market forces within the union (economic criteria);
- the ability to meet the obligations arising from a membership, to take over in particular the community legislation and agree to the goals of the political union as well as the Economic and Monetary Union.

The fourth Copenhagen criteria concerned the Union itself – the EU must itself be reformed, in order to be able to admit new members.

The European Council gave the starting signal for the beginning of the enlargement in Luxembourg in December 1997. With the first six countries (Cyprus, Estonia, Hungary, Poland, Czech Republic and Slovenia) negotiations were formally launched on 31 March 1998. At the same time the summit of Luxembourg already stressed that the differentiation that had occurred did not prejudice the future course of the accession process. The other six countries would join the negotiations when they would be ready, in particular when they would fulfil the political (fully) and economic (partly) criteria laid down in Copenhagen. Therefore, additional financial aid was promised to the states, with which negotiations were not started. At the same time Community programmes were launched as well as agencies and committees were established, in order to prepare their membership substantially. With the newly established ‘accession partnership’ stronger emphasis was laid on the reform efforts of the individual countries which were necessary in the short and medium term. These accession partnerships are adapted by the Commission on the basis of yearly reports (so called regular reports), which describe the actual progress in each individual country. Usually they form the basis for the national development plans of the candidate countries.

### **III. The New Approach**

The Commission, which took up office in 1999 under Romano Prodi, recommended a fundamental change in the enlargement strategy, which the European Council in Helsinki approved in December 1999. At the heart of this strategy was the necessary acceleration of the enlargement process, while strengthening its quality at the same time. It was subsequently decided to launch the

negotiations with the remaining six candidate countries (Bulgaria, Latvia, Lithuania, Malta, Romania and Slovakia) and to offer them the opportunity. Mechanisms to monitor the negotiations were installed for all 12 countries, allowing the Commission and the Member States to examine whether the applicant countries fulfil their obligations, which they accepted during the negotiations.

The most controversial decision of Helsinki formed the recognition of Turkey as an official candidate. Turkey will benefit from a pre-accession strategy, which includes enhanced political dialogue and the opportunity to participate in Community programmes and agencies. However, there are no negotiations taking place as Turkey does not comply with the Copenhagen political criteria.

#### **IV. The Copenhagen Criteria**

The Copenhagen criteria are the key for a successful enlargement, in order to ensure the Community's solidarity and functioning with far over 20 states. They set high requirements for the applicant countries, but also for the EU itself.

The fulfilment of the political criteria determines in principle when the negotiations can begin. The EU is not ready to start negotiations with a country if there are any doubts about the democratic conditions, the respect of human rights and the protection of minorities. That was the reason why the European Council of Luxembourg in 1997 did not invite Slovakia to be part of the first group with which negotiations started in early 1998. The present non-fulfilment of this criteria by Turkey prevents admission to negotiations as well.

The economic criteria is used to prepare the accession as harmoniously as possible and to avoid in particular heavy distortions in the accession countries. This is essential not just in view of the complex transformation, which the central and eastern European states must go through, but also to ensure that Community economic operators, whether they come from present Member States or the future Member States, can perform their activity on a level playing field.

The complete implementation of Community legislation (*acquis communautaire*) is essential to ensure legal uniformity in the whole union. The *acquis* of the EU increased in over 40 years to approximately 80,000 pages of law. Its application and implementation is for the governments and parliaments and also for the administrations of these states an outstanding effort. In the Commission's view much progress was seen in the area of legislation transposition. At the same time delays and gaps not least as concerns the administrative capacity to implement the *acquis* are still a problem. The question of the effective application is particularly difficult for the administrations, the public bodies, the producers' associations, the municipalities as well as for

the economic players and the social partners. Above all this requires qualified staff, stable administrative procedures and substantial financial means.

The necessary implementation of the entire *acquis* does not exclude that in the negotiations transitional periods can be agreed, in order to steer the enlargement process reasonably and to exclude economic and social distortions. However these transitional arrangements should have an exceptional character and should be limited in time and scope. Conceivable areas where transitional periods could be granted are for example environmental legislation where significant infrastructure investments are needed to ensure compliance; provided of course that a clear timetable exists to which the candidate country is committed. In the short term the financial means for an immediate application of the high standards of Community law are simply not within reach.

The capacity of the EU for enlargement is determined both financially and institutionally. The financial framework was decided on the basis of Agenda 2000, which sets the budgetary framework for the Union until 2006, taking into account enlargement. The European Council in Nice in December 2000 decided on institutional reforms to prepare the Union for enlargement. By the end of 2002 – after ratification of the new Treaty in the Member States – the EU would then be ready to welcome the first new members. The European Council committed itself in Helsinki to this date and the candidate countries expect the EU to fulfil this commitment.

## V. The Negotiations

The accession negotiations concern the entire European legislation (i.e. directives, regulations, decisions). These legal texts are divided in 31 negotiation chapters. They concern individual policy areas (e.g. agriculture, competition, transport, environment) and two chapters on ‘institutions’ and ‘other questions’ which will be negotiated in the end.

The negotiations are based on the principle that the applicant countries must take over community legislation as a whole. This can in principle not be negotiated. The actual negotiations concern, therefore, only the questions, in which candidate countries (and sometimes Member States) ask for transitional periods, in particular because of economic or social considerations. The results of the negotiations will be laid down in an accession treaty, which has to be ratified by all Member States, the European Parliament and the individual applicant country.

The negotiations are conducted by the Member States with the individual applicant countries within the framework of accession conferences at government level. The country, which holds the presidency, speaks on behalf of the Member States. The Commission provides the technical support for the nego-

tiations and helps Member States, in particular, to draw up their common negotiation position.

Some candidate countries set themselves dates with regard to the earliest possible accession, to which they orient their national planning. In eight cases this is 1 January 2003, in two cases (Lithuania, Slovakia) 1 January 2004. Bulgaria and Romania expect the earliest possible accession after 2006.

On the day of accession all criterias including the economic and political criteria must be fulfilled. If the Helsinki strategy succeeds and if all candidates stick to their self imposed speed, possibly up to 10 states could join the EU between 2003 and 2005. One has to bear in mind that the underlying principal of the process is that no country, which is ready for accession, has to wait for other countries.

## **VI. Chances and Challenges**

The current enlargement round is historically unique and possibly the largest challenge, which the EU has ever faced. This concerns not only the number of the countries, with which it is negotiating at the same time, but also the existing substantial economic and social divergences between present and future EU Member States.

The existing economic and social gaps will require that both sides show substantial ability and determination to reform. This can only be mastered with strong Community institutions, with solidarity and flexibility. It is the task of the governmental conference, but also of the accession negotiations, to find answers for sensitive questions, like the inclusion of the candidate countries in the structural or agricultural policy of the Community. But also difficult questions like free movement of people, purchase of property and justice and home affairs have to be carefully approached.

Economically the enlargement will see the largest market in the world emerge, which will offer the best conditions in the global competition for the European economy. Already today both sides profit from this perspective. In almost all accession countries a rapid reorientation of trade towards the EU market took place, which ensured growth and jobs in these countries. At the same time prospering markets opened up for the EU. Recent figures show the Union is doing more trade with the candidate countries than with the USA and Canada combined.

The enlargement perspective facilitated the transformation process in the accession countries and strengthened therefore their general stability. This has direct positive consequences for their EU neighbours. The peaceful integration of minorities, the fight against nationalism and the settlement of border disputes are important contributions for European stability. The important

progress, which was made for example with the integration of minorities, above all the Russian speaking community in Estonia and Latvia as well as the Hungarian minority in Slovakia, is without doubt a direct consequence of the concrete accession perspectives.

The enlargement could lead in addition to a better balance between larger and smaller countries in Europe. In particular the smaller countries under the candidates will in a special way politically profit from the process. In an integrated group they can play a more important role than by national single-handed attempts, as the example of Luxembourg proves. The enlargement is used to broaden the sense to retain identity and to protect at the same time the common European values of a democratic society and a social market economy in the global competition.

## **VII. Outlook**

After one year in office the Commission has achieved already substantial progress in the enlargement process. The full integration of the candidate countries in the EU is the aim of the Commission's enlargement strategy. Substantial efforts have to be made on both sides but the desire for a united Europe under the roof of the EU is pushing all involved parties to outstanding performances. There can be no doubt that in a couple of years the Union will have some new members – how many and when? These are still open question, but they will be answered soon.