## BULLETIN

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Editors: Marcin Zaborowski (Editor-in-Chief), Agnieszka Kopeć (Executive Editor), Łukasz Adamski, Beata Górka-Winter, Artur Gradziuk, Leszek Jesień, Beata Wojna, Ernest Wyciszkiewicz

Croatia: Final Year of Negotiations with the European Union?

Tomasz Żornaczuk

In the sixth year of its accession negotiations with the European Union, Croatia is close to concluding the process. Among the few chapters yet to be closed, the most problematic is the one regarding the judiciary and fundamental rights. Difficulties in implementing the acquis in areas covered by this chapter will prevent Croatia from completing the negotiations in the first half of this year. Further negotiation delays are also possible in the absence of the government's intensive pursuit of reforms and as a consequence of the political situation in the country.

**Status of Negotiations.** Croatia, which began accession negotiations with the EU in 2005, is the most advanced country in the process of integration with the Union. Currently all 33 negotiation chapters are open, including 29 that have been provisionally closed. In addition, Croatia has closed the chapter on the institutions, which is one of two chapters that do not require adjustments to the EU *acquis*. On the basis of agreements with the European Union, Croatia will be granted 12 seats in the European Parliament and seven weighted votes in the EU Council.

Negotiations on Chapter 23 and Their Significance. Chapter 23 on the judiciary and fundamental rights is the most problematic among the remaining four chapters. Although in its November 2010 report the European Commission welcomed the progress achieved by Croatia in this and other chapters over the past year, it pointed to a number of shortcomings in all four areas this chapter covers. The Commission indicated the need to establish an independent judiciary, among others by providing more transparent criteria for appointing judges and prosecutors, and to accelerate the processing of court cases. One of the main recommendations was the need to strengthen the fight against corruption. Although according to a Transparency International report of October 2010 Croatia and the Former Yugoslav Republic of Macedonia have seen the best results among the Western Balkan countries in the fight against this phenomenon, it is still more common there than in the vast majority of EU countries. Moreover, the Commission pointed to inadequate respect for minority rights and to the need to resolve the issue of refugees' return, which is especially important for the post-war societies of the Balkan states. In the scope of issues covered by Chapter 23, the report also stressed the need for full cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY).

In the Enlargement Strategy 2010–2011 accompanying the report, the Commission announced that an additional report devoted exclusively to Croatia's progress in Chapter 23 would be drafted and published in the first quarter of 2011, thus confirming that this chapter would be crucial to closing the entire negotiations. The document was eventually presented in early March. The EC listed ten benchmarks, including eight that had not been met, with an assessment of another one (cooperation with the ICTY) resting upon Prosecutor Serge Brammertz' next report due in May 2011. In his reports published twice a year, Brammertz has so far been reiterating that in spite of Croatia's cooperation with the ICTY, the problem of access to certain documents related to the war in the Balkans in the 1990s remains unsolved.

The European Union pays particular attention to Chapter 23 negotiations, as an efficient judicial system, an effective fight against corruption and respect for fundamental rights are to ensure Croatia's smooth functioning in many areas in the enlarged EU. An absence of appropriate reforms can lead to problems that have become apparent in Bulgaria and Romania, where inadequate prepara-

tion for accession in this chapter resulted in a number of EU objections to the work of local courts and to modest results in the fight against corruption. This has been evident especially in Bulgaria, where the corruption level went up in comparison to the pre-accession period. This problem is one of the reasons behind the non-inclusion of Bulgaria and Romania in the Schengen zone. Moreover, the member states are aware that negotiations are the only effective means of mobilising for reform, as can also be illustrated by the example of the above two new EU states.

**Perspective.** Although the Croatian government plans to complete accession negotiations in June 2011, before the end of the Hungarian presidency of the EU Council, as in Zagreb's view this would allow the accession treaty to be signed in the second half of the year during the Polish presidency, this goal will be impossible to achieve. During a visit to Zagreb in early April 2011, EC President José Manuel Barroso also shunned from indicating the date for completing the negotiations with Croatia, because it had become clear that Croatia would not be able to fulfil all criteria for the closure of Chapter 23 so quickly. Meanwhile, some member states will not agree on the conclusion of negotiations with Croatia in this chapter unless all criteria identified by the Commission are fulfilled, including cooperation with the ICTY.

But Croatia's difficulties in negotiations on several chapters (e.g. fisheries, competition policy) do not mean that the talks with the European Union have stalled. During the Intergovernmental Conference of 19 April 2011, Croatia closed two chapters on agricultural policy as well as on regional policy and coordination of structural instruments.

The Commission's consistency in assessing with great precision Croatia's progress in European integration suggests that negotiations in individual chapters will be completed only once the specified criteria are met, regardless of when Croatia introduces the adjustments required. Meanwhile, the internal political situation in the country means that a swift completion of the often unpopular reforms may be very difficult indeed. Support for the government of Jadranka Kosor has in fact shrunk to less than 14% in March 2011, when 75% of those polled were critical of the government. Higher unemployment (almost 20% in February 2011) and the overall poor economic condition of the country were the main reasons behind dwindling support, and not without significance here was the disclosure of several corruption scandals in which representatives of the main coalition party had been involved.

Failure to complete the accession negotiations with the EU in June as has been announced is likely to result in a further decline of the Kosor cabinet's popularity, although the popularity drop may come earlier, following the Hague Tribunal's recent verdict convicting two Croatian generals, including Ante Gotovina, of war crimes. This may bring forward the parliamentary elections, which in line with the Constitution should be held in early 2012. This in turn would cause further delays in negotiations with the EU.

**Conclusions.** If Croatia, regardless of its internal political situation, fails to adopt tougher measures to implement the relevant reforms, in the report this autumn the European Commission will most likely refuse to evaluate positively its overall preparation for EU membership. This would mean that Croatia may not be able to complete the accession negotiations during the Polish presidency. Moreover, even in the optimistic scenario assuming that the negotiations are completed in late 2011 or early 2012, it will then take several months to prepare the accession treaty, which will subsequently have to be ratified by all member states. This procedure may take up to two years. Only then the accession treaty will be concluded between the EU and Croatia. The treaty's entry into force will mean the country's membership in the Union.

Enlargement policy is the most effective EU instrument in promoting European democratic values in countries where political transformations are taking place. Croatia's accession to the EU will not only prove that the enlargement process is continued, but also constitute a clear signal for other countries in the region that adequate reforms lead to membership. During its presidency of the EU Council Poland should clearly indicate that the Union is invariably interested in Croatia's swift accession, as this can mobilize this country to meet the remaining conditions for membership. At the same time, Croatia's sound preparation for membership is in the interest of all countries promoting the enlargement policy, including Poland. The Croatian case will be a model for the EU in negotiations with other Western Balkan countries, while any weaknesses that might become apparent following Croatia's entry may affect the position of some member states towards further EU enlargement.