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# EU-27 Watch

## On the Project

The enlarged EU of 27 members is in a process of reshaping its constitutional and political order, of continuing membership talks with candidate countries and taking on new obligations in international politics. This project sheds light on key issues and challenges of European integration. Institutes from all 27 EU member states as well as from Croatia and Turkey participate in the project. The aim is to give a full comparative picture of debates on European integration and current developments in European politics in each of these countries.

This survey was conducted on the basis of a questionnaire that has been elaborated in November 2007 by all participating institutes. Most of the 28 reports were delivered at the **beginning of February 2008**. This issue and all previous issues of *EU-27 Watch* (formerly *EU-25/27 Watch*) are available on the homepage of EU-CONSENT ([www.eu-consent.net](http://www.eu-consent.net)) and on the internet sites of most of the contributing institutes.

Please note the **detailed table of content** that allows readers to easily grasp key information and headlines of the country reports.

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## The art of ratification management and the caution with forward planning

Barbara Lippert/Tanja Leppik

This new edition of *EU-27 Watch* deals with the greatest achievement of the Portuguese Presidency of the EU, the agreement on the reform Treaty, now called Lisbon Treaty, and its follow-up in the first months of 2008<sup>1</sup>. This year 2008 is characterised by a circumspect management of ratification processes in all 27 member states and by cautious forward planning in order to prepare the EU for a proper and timely implementation of the new Treaty provisions from 2009 onwards. While attention is mostly on ensuring a smooth ratification and avoiding a second failure, every day politics of the EU and its policy-making machinery continue as well as the challenges and expectations from the immediate neighbourhood. That is why this issue of *EU-27 Watch* also looks into other important issues and activities on the agenda of the EU and informs about the respective debates in the member states of the EU, plus the candidate countries Croatia and Turkey<sup>2</sup>. It covers the following issues and developments up to February 2008:

- The future of Europe at the end of the Portuguese Presidency
- Western Balkans and Enlargement agenda
- The ENP and Russia
- Ongoing consultation on the budget review
- Other current issues of high salience in the member states.

### Future of Europe: Few stumbling blocks – little debate

The convoy of 27 member states shall reach its destination to ratify the Lisbon Treaty by 31 December 2008 without being derailed. EU governments are currently occupied with managing carefully the ratification processes at home. The ratification process of the Lisbon Treaty, signed on 13 December 2007, started immediately in the last days of the Portuguese Presidency. The Hungarian parliament was the first to ratify the Lisbon Treaty as early as 17 December 2007<sup>3</sup>. The current state of play shows that 26 member states (see **Overview 1** at the end of this introduction), i.e. all but Ireland, decided to ratify the Treaty in a parliamentary procedure. In some cases the assent of two<sup>4</sup> or more chambers<sup>5</sup> is necessary. In the four countries, that had held referenda on the Constitutional Treaty, i.e. in Luxembourg, Spain, the Netherlands and France, it was decided not to repeat this exercise. It was uncontroversial in Luxembourg and Spain, where the citizens had voted in favour of the Constitutional Treaty in 2005, that this time a parliamentary procedure would do. In France, the newly elected President Sarkozy and a new government under Prime Minister Fillon were determined to oppose any calls for a second referendum. In the Netherlands, the new cabinet Balkenende IV (with the help of the Labour faction), found a way around “two seemingly contradictory objectives. First: to avoid the prospect of a second referendum. [...] Second: the need to address the gap between politics and electorate as regards the EU, which had emerged after the 2005 referendum”<sup>6</sup>. Ratification is now expected in fall after a parliamentary debate in summer. Clarification was also needed in the United Kingdom, where the Conservative party as opposition in the House of Commons challenged the government to go for a referendum. At the beginning of March during the marathon debate on the Lisbon Treaty in the House of Commons it became definitive that no referendum will be held, despite the ongoing clamour from the Conservative party<sup>7</sup> and much of the national media<sup>8</sup>. The government under the new Prime Minister Brown fought for the interpretation of the Lisbon Treaty falling short of “fundamental constitutional change”<sup>9</sup>. Also in Denmark and Portugal, where referenda on the Constitutional Treaty had initially been considered but scrapped or postponed after the Dutch and French no votes, the case was effectively made for a parliamentary procedure being sufficient. In

<sup>1</sup> After a transitory period (from *EU-25* to *EU-25/27 Watch*) we now update the title which is “*EU-27 Watch*”. Search for the previous editions (No. 1-5) under: <http://www.iep-berlin.de/index.php?id=546> (last access: 20.03.2008).

<sup>2</sup> This volume does not yet comprise a report from Belgium.

<sup>3</sup> Cf. Hungarian chapter on the future of the EU (question 1).

<sup>4</sup> Cf. e.g. the Austrian, Czech, Dutch, German, and Polish chapters on the future of the EU (question 1).

<sup>5</sup> For example in Belgium.

<sup>6</sup> Dutch chapter on the future of the EU (question 1).

<sup>7</sup> On 6 March 2008, the MPs in the House of Commons rejected a proposal to hold a UK-wide referendum on the Lisbon Treaty by 311 votes to 248.

<sup>8</sup> Cf. the British chapter on the future of the EU (question 1).

<sup>9</sup> British chapter on the future of the EU (question 1).

Portugal, the special role of holding the Presidency during the final negotiations on the reform Treaty and the name of the new Treaty after the place of its solemn signature, raised the pressure for a smooth ratification. But only in January 2008, Socialist Prime Minister Socrates (supported by the centre-right PSD) announced that no referendum would be held, which was not uncontroversial. In Denmark, the Ministry of Justice concluded that the Lisbon Treaty will not relinquish national sovereignty to the EU, so that a referendum is not needed. This leaves Ireland where a referendum is obligatory and binding for the government. It will probably be carried through at the end of May. With the exception of Sinn Fein, no party in the Irish parliament is against the Lisbon Treaty. However, given the experience of a failed referendum on the Nice Treaty and noting that large portions of the Irish voters are still undecided, it cannot be taken for granted that the yes votes will succeed.

Other obstacles on the way towards ratification are in countries like the Czech Republic and Germany. In the latter, the Constitutional Court will have to decide on complaints that are expected to be filed by EU-sceptic deputies; in the Czech Republic, EU-critics from the ruling ODS intend to use the Czech Constitutional Court to stop or delay ratification. While in Germany a referendum can be ruled out, in the Czech Republic, a referendum might be considered, in case the Court concludes that the Lisbon Treaty conflicts with the Czech constitution. Obstacles like these might slow down the process and endanger the time table that foresees the effective entry into force on 1 January 2009. But it is very unlikely that they will lead to a failure of the second attempt to ratify a Treaty signed by the 27 governments.

According to the specific calendars for the ratification that are envisaged by member states, ratification can be expected to be complete by December 2008 (see **Overview 1** annexed to the introduction). Up to mid-March, six member states had already completed ratification, i.e. Hungary (December 2007), Slovenia (January 2008), Malta (January 2008), France (February 2008), Romania (February 2008), and Bulgaria (March 2008). Facing a referendum, the Irish government and supporting parties as well as the National Forum on Europe (government funded independent agency) started extensive publicity campaigns on the Lisbon Treaty. In most other member states, the new Treaty and the ensuing ratification process were not a hot issue. Only few countries, like the Netherlands, started a new communication strategy and tried to inform and involve the citizens beyond the normal information policies and measures. Sometimes other issues of European policy were far more imminent, like the introduction of the Euro by Malta and Cyprus on 1 January 2008, the extension of the Schengen area<sup>10</sup> or the upcoming UEFA Euro 2008 in Austria. Some already started to speculate on likely nominees for the new posts created by the Lisbon Treaty, particularly the elected president of the European Council. Usual suspects mentioned in the reports of *EU-27 Watch* are Juncker and Blair. However, even the personalities to fill the new posts did not stir passionate debates. Secret diplomacy around these issues is expected as long as the ratification process is not yet won. Any (even unrelated and accidental) disturbances can trigger domino effects and cause collateral damage to the entry into force of the Lisbon Treaty. To keep media attention down is sometimes preferred as not to wake sleeping dogs which is the case in the United Kingdom, where Prime Minister Brown even did not show up for the official signing ceremony in Lisbon. In member states where EU-sceptics on one side or disappointed integrationists on the other side could probably gain momentum and public support, governments try to present the case of the new Treaty as a technical adjustment or update of the exiting treaties<sup>11</sup>. Overall, the country reports presented in the *EU-27 Watch* show that each government has to work out a specific strategy that suits domestic circumstances.

The decision to install a Reflection Group, following the original proposal by President Sarkozy to establish a Committee of the Wise, has gained little political and public attention so far. French media reported more detailed on this initiative, including speculations on a probable hidden agenda with the aim to present arguments that will help keeping Turkey out of the EU. Similar speculations on an anti-enlargement bias were taken up also in other member states like Czech Republic, Finland, Italy, Poland, and of course in Turkey<sup>12</sup>. Most governments and parties in the member states are satisfied with the low key mandate of the Reflection Group, because neither the pressing need for its establishment nor the legitimacy of a group of personalities standing outside the proper institutions

<sup>10</sup> The following nine countries joined the Schengen area at the end of 2007: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia.

<sup>11</sup> Cf. Czech chapter on the future of the EU (question 1).

<sup>12</sup> Cf. Czech, Finnish, Italian, Polish, and Turkish chapters on the future of the EU (question 1).

and decision-making procedures in the EU-multilevel system is seen as evident<sup>13</sup>. Also the explicit exclusion of issues like institutions, budget, and an overall reopening of issues dealt with in the reform Treaty was welcomed, in particular by Ireland, Luxembourg and the United Kingdom so that it should not interfere with the current ratification processes. However, the size and envisaged composition of its members as well as the already appointed trio to chair the Group with former Spanish Prime Minister Felipe González Márquez at the top are well received and deemed appropriate. As far as the agenda of the Reflection Group is concerned, questions related to energy policy, combat of terrorism, immigration, competitiveness and reform of the EU economy, but also CFSP<sup>14</sup> are favoured in the capitals. It is, however, far too early to say whether the work of the Group in “horizon 2020-2030” will gain more attention and become a reference point in member states and in Brussels.

### Enlargement and Western Balkans: Focus on Turkey and Kosovo

All member states support the Commission’s broad conclusions in its reports on progress of Croatia, Turkey and Macedonia towards membership as well as in the strategy document on enlargement<sup>15</sup>. In particular, they underline the importance of keeping or bringing the Western Balkan countries and Turkey on a pro Western and Euro-Atlantic track<sup>16</sup>. A credible European perspective is claimed for all Western Balkan countries in order to keep the momentum for reform and modernisation. While the member states confirm the commitments of the EU, doubts and concerns increase with regard to the quality of and full commitment to reforms in (potential) candidate countries<sup>17</sup>. Respective criticisms of the Commission are supported as strong warnings to take rigorous conditionality seriously. The trend to look closer at the implementation on the ground is fuelled also by negative media reports and information on the spread of organised crime and corruption in particular across the Balkan countries<sup>18</sup>. The slowing down of the reforms in Turkey is a point of concern in some member states. Enlargement sceptics, like the Netherlands insist on rigorous conditionality and France and Austria still consider the option of a referendum on Turkish membership. Thus, Turkey remains the most controversial candidate for governments<sup>19</sup> and also public opinion across the EU<sup>20</sup>. Still enlargement issues are of little salience in most of the member states<sup>21</sup>. Only in those directly interested in or affected by the candidacy or membership aspirations of individual countries, “enlargement” and issues associated with it (labour market, immigration etc.) are more prominent in public opinion or discourse<sup>22</sup>.

Beyond Croatia, that is widely regarded as the frontrunner candidate who can probably join in 2010 or so<sup>23</sup>, there is neither a schedule nor a “politically agreed date” for further enlargement.

With regard to the Western Balkans, the recognition of independence of Kosovo was the most pressing challenge. Member states responded differently for various reasons. The EU had been united in supporting the Ahtisaari-Plan and the “Kosovo-troika” chaired by Ambassador Ischinger as EU representative<sup>24</sup>. When the best-case scenario – a negotiated solution between Belgrade and Prishtina – failed, the EU was at least united in its decision to send a European Union Rule of Law Mission to Kosovo (EULEX Kosovo)<sup>25</sup>. Also the message to keep the door open for Serbia and send

<sup>13</sup> Cf. Danish, Estonian, Finnish, Greek, Hungarian, and Spanish chapters on the future of the EU (question 1).

<sup>14</sup> Cf. Greek chapter on the future of the EU (question 1).

<sup>15</sup> European Commission: Enlargement Strategy and Main Challenges 2007-2008, COM(2007) 663 final, Brussels, 6.11.2007, available at: [http://ec.europa.eu/enlargement/pdf/key\\_documents/2007/nov/strategy\\_paper\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2007/nov/strategy_paper_en.pdf) (last access: 20.03.2008).

<sup>16</sup> Cf. Austrian, Bulgarian, Czech, Estonian, Italian, Latvian, Romanian, Slovakian, and Spanish chapters on Western Balkans and Enlargement (question 2).

<sup>17</sup> Cf. e.g. the Austrian, Bulgarian, Cypriot, Dutch, Finnish, French, German, and Latvian chapters on Western Balkans and Enlargement (question 2).

<sup>18</sup> Cf. Austrian and Finnish chapters on Western Balkans and Enlargement (question 2).

<sup>19</sup> Cf. Austrian, Cypriot, Danish, German, French, and Irish chapters on Western Balkans and Enlargement (question 2).

<sup>20</sup> Cf. Austrian, Czech, Finnish, French, and German chapters on Western Balkans and Enlargement (question 2).

<sup>21</sup> Cf. e.g. Latvian, Polish, Portuguese, and Spanish chapters on Western Balkans and Enlargement (question 2).

<sup>22</sup> Cf. British, Cypriot, Finnish, Greek, Italian, and Slovenian chapters on Western Balkans and Enlargement (question 2).

<sup>23</sup> Cf. Austrian and Estonian chapters on Western Balkans and Enlargement (question 2).

<sup>24</sup> Cf. Council of the European Union: Brussels European Council, 14 December 2007, Presidency Conclusions, No. 16616/1/07, available at: [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/97669.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/97669.pdf) (last access: 25.03.2008).

<sup>25</sup> Cf. the following documents: Council of the European Union: Brussels European Council, 14 December 2007, Presidency Conclusions, No. 16616/1/07, available at: [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/97669.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/97669.pdf) (last access: 25.03.2008). Council Joint Action, 2008/124/CFSP of 4 February 2008 on the European Union Rule of Law

positive signals to Belgrade to further support democratic forces in its pre-accession towards the EU was widely shared in member states<sup>26</sup>. The EU remained, however, split when the 'Assembly of Kosovo' declared the independence of Kosovo from Serbia on 17 February 2008: Four EU members, Spain, Cyprus, Romania and Slovakia are definitely not going to recognise Kosovo, mostly for fears of giving a negative example for encouraging separatist tendencies and ethnic minorities in their countries (Basques and Catalans in Spain, Turks in the "self-declared 'Turkish Republic of Northern Cyprus'" in Cyprus<sup>27</sup>, Hungarians in Romania and Slovakia) to push for secession. All 27 countries including those that have already or will recognise Kosovo at a later stage are concerned about probably opening "a Pandora's box of secessions"<sup>28</sup> and insist that Kosovo is a unique sui generis case without precedence. The first wave of recognition comprised the United Kingdom and France together with the United States of America (18 February 2008), followed by Germany and Latvia, then Austria, Belgium, Denmark, Estonia, Italy, Ireland, Luxembourg and Poland (21-29 February 2008) as well as Sweden, the Netherlands, Slovenia and Finland (4-7 March 2008). Bulgaria, Hungary and Croatia issued a joint statement on their future recognition of Kosovo. They underlined their support for the active commitment of EU and NATO for stability and democracy building in Kosovo, and expressed their interest in developing further ties with Serbia. All three countries then officially recognized Kosovo's independence (19-20 March 2008)<sup>29</sup>. Lithuania is also planning to recognise Kosovo, while four are as yet undecided, cautious or reluctant: the Czech Republic, Greece, Malta and Portugal. In particular the three Baltic countries but also Slovenia were disappointed that the EU could not speak with one voice in the case of recognition. However, damage was limited not in the least through agreement on the EULEX mission. There is strong awareness that the mission in Kosovo and the coordination between EULEX, UNMIK and KFOR is a test case for the operation ability and the capacities of ESDP<sup>30</sup>. The French government is particularly concerned about a distinct EU role in the region. Foreign Minister Kouchner explained "that it was the EU's responsibility to formulate a European position, distinct from that of Russia and the US. This idea accurately summarizes the general feeling amongst French observers, who consider the Kosovo question to be a crucial challenge for the European security and defence policy. The aim is to understand whether the EU has already learned from past mistakes"<sup>31</sup>. Serbia is widely regarded as the key country to future stability on the Western Balkans<sup>32</sup>.

### Neighbours: Looking East – looking South

Under the roof of the ENP six Eastern European countries and ten countries around the Mediterranean rim are lumped together. Notwithstanding the geographic coherence of the ENP concept, member states hold clear preferences and take special interests in specific countries of the East or South. The overall balance goes towards the East. It is reported from 15 member states to have a clear preference for countries in the East in the ENP context<sup>33</sup>. France, Italy, Malta, Portugal and Spain look towards the South, while Ireland and the United Kingdom understand their position as being neutral or honest brokers, and Luxembourg, Slovenia, the Netherlands and even Cyprus claim to have a balanced interest in both directions. Also among those looking towards the East some, like Germany or Sweden, support a balanced but not a zero sum approach trading one region off against the other. A good example for the inclusive, EU oriented approach was the debate over the Mediterranean Union, proposed by Sarkozy. The initial proposal was perceived as opaque in terms of

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Mission in Kosovo, EULEX KOSOVO, in: Official Journal of the EU, No. L42, 16.2.2008, p. 92ff., available at: [http://consilium.europa.eu/cms3\\_fo/showPage.asp?id=1352&lang=de](http://consilium.europa.eu/cms3_fo/showPage.asp?id=1352&lang=de) (last access: 25.03.2008). Council of the European Union: Council Conclusion on Kosovo, 2851st External Relations Council meeting, Brussels, 18 February 2008, available at: [http://www.eu2008.si/en/News\\_and\\_Documents/Council\\_Conclusions/February/0218\\_GAERC5.pdf](http://www.eu2008.si/en/News_and_Documents/Council_Conclusions/February/0218_GAERC5.pdf) (last access: 20.03.2008).

<sup>26</sup> Cf. Bulgarian, Czech, Estonian, Finnish, French, Hungarian, and German chapters on Western Balkans and Enlargement (question 2).

<sup>27</sup> Cypriot chapter on Western Balkans and Enlargement (question 2).

<sup>28</sup> Danish chapter on Western Balkans and Enlargement (question 2).

<sup>29</sup> Cf., for example, BBC News: Serbia's neighbours accept Kosovo, available at: <http://news.bbc.co.uk/2/hi/europe/7304488.stm> (last access: 25.03.2008); and BBC News: Bulgaria accepts Kosovo statehood, available at:

<http://news.bbc.co.uk/2/hi/europe/7307234.stm> (last access: 25.03.2008).

<sup>30</sup> Cf. especially the Finnish chapter on Western Balkans and Enlargement (question 2), but also the Estonian, Luxembourgian, and Romanian chapters on Western Balkans and Enlargement (question 2).

<sup>31</sup> French chapter on Western Balkans and Enlargement (question 2).

<sup>32</sup> Cf. Croatian, Czech, French, Hungarian, Lithuanian and Slovenian chapters on Western Balkans and Enlargement (question 2).

<sup>33</sup> Cf. country reports of: Austria, Bulgaria, Czech Republic, Denmark, Estonia, Finland, Germany, Greece, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Sweden.



its content and dubious with regard to the intentions. The proposal was received cool and was criticised by most member states<sup>34</sup>. In particular Germany spoke against the formation of a Mediterranean Union apart from the EU structures and the Barcelona process, and without full participation of all member states. Some support for the French initiative came from Italy, Malta, Portugal and Spain. Finally, a Franco-German proposal was accepted by the European Council in March 2008: It keeps the new name “Union for the Mediterranean”, but the substance changed. It is now about invigorating the Barcelona process<sup>35</sup>.

In line with geographic preferences and economic, political and societal ties, other subregional initiatives and formats of cooperation are supported, namely the Nordic dimension (Finland) and Baltic cooperation<sup>36</sup>. Currently the Black Sea Synergy gains special attraction not in the least because of concerns of security of energy supply and transport. Even a “Black Sea Union”<sup>37</sup> is proposed. Particularly supportive is Bulgaria who regards itself as among the “principal driving forces for the development of this policy in the first half of 2007”<sup>38</sup>. Other supporters are France, Germany, Hungary, Romania, and Slovenia. Poland qualifies its support so that the Black Sea Synergy does not distract the countries from EU membership track. The intensification of cooperation between the EU and the Black Sea countries with a view to strengthening regional cooperation is also valued as a strategic element of closer relations with the neighbouring Caspian Sea and Central Asian countries<sup>39</sup>. The new Central Asia strategy of the EU – although not part of the ENP – is appreciated as of important EU interest foremost with regard to improving the diversification of energy links of the EU<sup>40</sup>.

Among the Eastern ENP countries Ukraine is clearly regarded as the key country and crucial for stability and democratic development in the East. The enhanced agreement that is currently under negotiation between EU and Ukraine is important for a new generation of Free Trade Agreements that envisage deep and comprehensive free trade. Some EU countries go beyond and champion a membership perspective of Ukraine at a certain not specified moment<sup>41</sup>. On Russia the views are split and the focus differs. So far, obstacles to the start of negotiations on a new Partnership and Co-operation Agreement and the new agreement as such provoked little reflection and debate. It can be assumed that the preferred level of ambition with regard to the new agreement differs across the EU member states. For example Estonia limits its expectations to that the “new agreement sets out realistic aims and should define the rights and obligations of both parties as clear as possible in order to minimize room for different interpretations”<sup>42</sup>. Germany is more ambitious as to the goal of “a strategic partnership” and defining sectoral mutual interests but less determined on a rigorous conditionality as part of the new agreement. Also the Finns “tend to think ‘business first’ and try to avoid actions that would irritate Russia”<sup>43</sup>. Generally, the relationship with Russia is frequently discussed in the context of energy policy. Russia is perceived as a very difficult but crucial partner<sup>44</sup>. Moscow is, however, criticised for its use of energy as a weapon to exert pressure on neighbouring countries including EU members. The “bullying tactics”<sup>45</sup> and “the Russian tendency to confront and pressurize its neighbours unilaterally”<sup>46</sup> are rejected. EU solidarity and a unified stance on Russia is claimed urgently by new and also by old members<sup>47</sup>. In the Czech Republic, the missile weapon shield is a high salient issue. The new Polish government under Prime Minister Tusk, however, declares strong interest in improving the strained relations with Russia via EU and bilateral channels. In particular the Baltic countries warn to rush into new agreements with Russia before having found a consensus among the EU member states and a stronger commitment of Russia to play by the rules and obligations that it has subscribed to, e.g. through membership in the Council of Europe.

<sup>34</sup> Cf. Austrian, Bulgarian, Finnish, German, Hungarian, Irish, Romanian, and Turkish chapters on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>35</sup> Cf. Council of the European Union: Brussels European Council, 13/14 March 2008, Presidency Conclusions, No. 7652/08, available at: [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/99410.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/99410.pdf) (last access: 25.03.2008).

<sup>36</sup> Estonia, Finland, Germany, Latvia, and Sweden. Slovenia, Malta, Netherlands, and Luxembourg are not involved but supportive.

<sup>37</sup> Austrian chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>38</sup> Bulgarian chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>39</sup> Cf. the Austrian, Bulgarian, and Romanian chapters on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>40</sup> Cf., for example, the German chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>41</sup> Cf. Finnish, Hungarian, Lithuanian, and Polish chapters on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>42</sup> Estonian chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>43</sup> Finnish chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>44</sup> Cf. Dutch, Finnish, French, and German chapters on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>45</sup> Estonian chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>46</sup> Danish chapter on European Neighbourhood Policy (ENP) and Russia (question 3).

<sup>47</sup> Cf. British, Danish, Estonian, and Latvian chapters on European Neighbourhood Policy (ENP) and Russia (question 3).

In many EU member states illegal migration (South and East ENP), energy diversification, terrorism and political instability in general (South) are identified as the biggest challenges from the ENP regions.

### Consultation on the budget review: EU spending and resources – first trends

In most member states, the public debate about the budget review is not very intense so far, and the governments are in the process of drafting their official position. Some of them plan to publish their official position in April 2008, when the consultation period will come to an end<sup>48</sup>. Some governments, like the Spanish one, consider “the process as an important one but not necessarily decisive: ‘it is not considered a negotiation but just a reflection’”<sup>49</sup>.

Not surprisingly, topics on the domestic agendas are often related to country specific aspects of the EU budget. For example, in Germany, the Netherlands, Sweden, or the United Kingdom the issue of their net contributions to the EU budget is an important topic. Also in Spain, the possibility of becoming a net contributor after 2014 is closely monitored<sup>50</sup>, while in Bulgaria and Romania, the opportunities for absorbing structural funds get much attention<sup>51</sup>. Seen from the outside, in the candidate countries Croatia and Turkey, on the other hand, the issue of IPA funds (Instrument for Pre-Accession Assistance) and how they might be affected by the budget review is an important issue<sup>52</sup>.

So far, there are no official positions on the spending side of the EU budget. Yet, some trends can be deduced from the country reports: While many member states generally support a ‘modern’ and future-oriented EU budget<sup>53</sup>, and a reform of the CAP<sup>54</sup>; when it comes to actual cuts, it becomes difficult<sup>55</sup>. This ‘difficulty’ is explicitly mentioned, for example, in the British, Dutch, German, and Swedish report, where it is pointed out that it is necessary not to increase the general amount of the EU budget, but to restructure the given amount of money. As it is put in the Dutch report: “if there is a need for higher EU expenditures for specific policies, the financial room to do should be created through reform of the present budget (‘old for new policies’)”<sup>56</sup>. In the Hungarian report, on the other hand, it is stated that “new items [...] should not endanger the financing of traditional policies”<sup>57</sup>.

Several options are discussed in the member states with regard to potential reforms of the current financing system of the EU budget. Mentioned in the reports are, for example, the introduction of an EU tax<sup>58</sup>; the phasing-out of the VAT-based resource<sup>59</sup>; or the increase of the GNI-based resource thereby relying more on the relative wealth of member states<sup>60</sup>.

From the country reports, it seems that fair burden sharing and transparent rules are generally regarded to be important<sup>61</sup>. Some countries thus favour a just and transparent correction mechanism<sup>62</sup>. As it is put in the Swedish report: “some corrections, rebates etc. are necessary” until the income side is reformed<sup>63</sup>. Other countries reject all rebates. For example, in Denmark, all

<sup>48</sup> Cf. the Dutch, German, Polish, and Swedish chapters on the budget review (question 4).

<sup>49</sup> Statement by the Secretary General for the EU, Miguel Ángel Navarro. Spanish chapter on the budget review (question 4).

<sup>50</sup> Cf. the Spanish chapter on the budget review (question 4).

<sup>51</sup> Cf. the Bulgarian and Romanian chapters on the budget review (question 4).

<sup>52</sup> Cf. the Croatian and Turkish chapters on the budget review (question 4).

<sup>53</sup> Cf. the Czech, Danish, Dutch, Estonian, German, Polish, Portuguese, and Swedish chapters on the budget review (question 4).

<sup>54</sup> See, for example, the Danish, Dutch, Estonian, Lithuanian, Portuguese, Swedish, and even the French chapters on the budget review (question 4).

<sup>55</sup> For example, in the Czech Republic, the proposal to decrease subsidies for bigger farmers is rejected. This view is shared by Germany and Spain. Cf. the Czech, German, and Spanish chapters on the budget review (question 4).

<sup>56</sup> Dutch chapter on the budget review (question 4).

<sup>57</sup> Hungarian chapter on the budget review (question 4).

<sup>58</sup> The replacement of existing resources by an EU tax is, for example, suggested by some commentators in Austrian media. Cf. Austrian chapter on the budget review (question 4). In Denmark, Germany, the Netherlands, and the UK, on the other hand, the introduction of any EU tax is rejected. Cf. the British, Danish, Dutch, and German chapters on the budget review (question 4).

<sup>59</sup> Discussed, for example, in Estonia and Germany. Cf. the Estonian and German chapters on the budget review (question 4).

<sup>60</sup> See, for example, the German, Italian, and Spanish chapters on the budget review (question 4).

<sup>61</sup> See, for example, the Danish, Estonian, German, Irish, Latvian, Spanish, and Swedish chapters on the budget review (question 4).

<sup>62</sup> For example, Cyprus, Germany, and the Netherlands. Cf. the Cypriot, Dutch, and German chapters on the budget review (question 4).

<sup>63</sup> Swedish chapter on the budget review (question 4).

“rebates and special provisions are seen as impairing credibility and undermining the fairness and solidarity of the EU budget”<sup>64</sup>.

### Other current issues of high salience in the member states

Asked which other topics and discourses are highly salient in the 27 EU member states as well as in Croatia and Turkey the spectrum is wide and answers are diverse. Among EU related issues the following were frequently named: Schengen enlargement<sup>65</sup>, and accession to the Euro Zone<sup>66</sup>. Naturally, the current or upcoming EU Presidencies gain importance and full political attention in the respective countries. This was the case in Portugal and is currently the case in Slovenia (being the pilot Presidency country from the new members), France, and the Czech Republic. Also first elections to the European Parliament in Romania in November 2007 were important issues. While others discuss the new opt-outs in and referenda on the Lisbon Treaty, in Denmark, a debate on a referendum to get rid of the old opt-outs is gaining momentum. In France, the consolidation of the budget and the requirements of the EMU, i.e. the implementation of the stability pact criteria, are discussed critically. Energy and climate change are now recurrent issues on the domestic agendas<sup>67</sup>.

There is a series of non-EU related issues that catch the attention of governments, parties, policy makers, citizens and media. Reports on coalition disputes, upcoming elections<sup>68</sup>, or recent elections with their difficult outcomes (Cyprus, Denmark) or other implications<sup>69</sup> can work as specific restrictions and factors that can also influence EU politics of member states, and are thus of interest for the other EU partners. Of shared interest is also the OSCE presidency of Finland in 2008, or debates in Finland and Sweden on closer relations with NATO. Moreover, the reaction towards and debate on war and terrorism continues in those EU countries that have troops abroad, for example in Afghanistan. Of specific concern are terrorist attacks like the ETA terror in Spain. Other prominent issues are youth unrest<sup>70</sup>, problems of integration and immigration<sup>71</sup>, the normative goal of social justice<sup>72</sup> and related, social security issues in Hungary<sup>73</sup>.

### Outlook

This survey is a snapshot of current debates in the member states over the future of Europe and national EU-strategies. It pictures a Union that is determined to do its homework as far as the ratification of the Lisbon Treaty is concerned. Some issues, that so far were only briefly noted or touched upon, will become more concrete and probably controversial in the time of the French Presidency. As far as the personnel for the new posts established by the Lisbon Treaty and their “job descriptions” are concerned, the 27 will have to look for packages that combine diverging and specific interests in order to reach a sufficient agreement and effective solutions. Also the reform of policies and of the budget will become more concrete and urgent. The significance of the European Parliament and the Commission – both to be newly elected in 2009 – will also increase. The strengthened Neighbourhood Policy and the irritations over the establishment of a new Union for the Mediterranean as well as progress and obstacles in the enlargement negotiations and the tense situation in the Western Balkans need permanent commitment and attention of the EU. The next *EU-27 Watch* will look into these issues again and describe and explain them from the member states’ (and candidates’) perspective.

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<sup>64</sup> Danish chapter on the budget review (question 4). Cf. also the Estonian and Hungarian chapters on the budget review (question 4).

<sup>65</sup> Mentioned e.g. in the Austrian, Estonian, and Polish chapters on current issues and discourses (question 5).

<sup>66</sup> Cf. Cypriot and Maltese chapters on current issues and discourses (question 5).

<sup>67</sup> See French, Italian, Lithuanian, and Swedish chapters on current issues and discourses (question 5).

<sup>68</sup> Local elections in Bulgaria; federal elections in Italy, cf. the respective chapters on current issues and discourses (question 5).

<sup>69</sup> For example, in Germany after elections at regional level the development of a five party system is discussed; or in Turkey the potential and EU-implications of the victory of AKP. Cf. the German and Turkish chapters on current issues and discourses (question 5).

<sup>70</sup> Cf. Danish chapter on current issues and discourses (question 5).

<sup>71</sup> Turks in Germany, cf. German chapter on current issues and discourses (question 5).

<sup>72</sup> Cf. German chapter on current issues and discourses (question 5).

<sup>73</sup> Cf. Hungarian chapter on current issues and discourses (question 5).



### Overview 1: State of the ratification of the Lisbon Treaty (as of March 25<sup>th</sup> 2008)

Country	Ratified	Timetable for Parliamentary procedures	Parliamentary threshold	Particularities
Austria	No	Ratification likely in the National and Federal Council (Nationalratssitzung) on April 9 <sup>th</sup> / 10 <sup>th</sup> .	2/3 in both chambers; (i.e 121 out of 183 in Lower Chamber and 42 out of 62 in Upper Chamber).	Both ruling coalition parties and the largest opposition party, the Greens, have signalled their approval of the Treaty.
Belgium	No	The Senate adopted the Treaty on March 6 <sup>th</sup> with 48 votes in favor, 8 votes against, and one abstention. Before the end of March, the Chamber of Representatives must vote on the Treaty. Afterwards, five further councils (regional, minorities) must decide. The final decision is expected in summer 2008.	Simple majority in the seven regional and federal chambers.	After nine months of interim government under G. Verhofstadt a new government was formed on March 18 <sup>th</sup> , 2008 under Prime Minister Leterme.
Bulgaria	Yes	Ratification bill submitted to Parliament on January 31 <sup>st</sup> .  Ratified on March 21 <sup>st</sup> , 2008 with 199 votes in favour, 15 votes against and 1 abstention.	Simple majority.	Broad support for the Treaty, no obstacles were anticipated.
Cyprus	No	Ratification bill passed to Parliament on December 17 <sup>th</sup> , 2007. Expected to be completed by the end of March 2008.	Absolute majority in Parliament; President and Council of Ministers can veto Parliament's decision.	The only party against the Treaty is the Progressive Party of the Working People, AKEL. Parties in favour: the conservative DISI (Democratic Rally); the centrist DIKO (Democratic Party); the social-democratic EDEK (Movement of Social Democrats); the centre-right EVROKO (European Party); the ecologists' KOP (the Green Party); as well as EDH (United Democrats) and ADIK (Democratic Movement).

Czech Rep.	No	On February 1 <sup>st</sup> , the Czech government passed a ratification bill to Parliament, which opened its debate on March 19 <sup>th</sup> , 2008.	Simple majority if no transfers of powers, or else 3/5 of votes in both Parliament (i.e. 121 votes out of 200) and Senate (49 votes out of 81).	All major political parties in the Czech Parliament agree to the Treaty, although parts of the Civic Democratic Party ODS remain sceptical (major right wing party). The ODS majority in the Senate is expected to appeal to the Constitutional Court to give its opinion whether the Treaty is in accordance with the Czech legal system. Especially the Charter of Fundamental Rights could be an obstacle for the decision of the Constitutional Court.
Denmark	No	Government bill for ratification proposed on January 9 <sup>th</sup> , 2008. Expected to be completed by March 2008.	Simple majority in the Parliament with at least 50% of the members present.	The Treaty is expected to be ratified easily in Parliament, since it is supported by the government as well as opposition parties (Social Democrats and Social Liberals). The decision against a referendum was based on the conclusions by the Danish Minister of Justice, stating that the Treaty does not lead to the loss of sovereignty for Denmark, whereas the Constitutional Treaty would have done so. Nine critical passages in the Constitutional Treaty are not part of the Lisbon Treaty.
Estonia	No	Ratification bill forwarded to Parliament on January 31 <sup>st</sup> for final adoption by May 2008.	Simple majority.	Strong support across political parties and within population. Opposition limited to marginal groups, such as Estonian Nationalist Movement.
Finland	No	Expected to start in March 2008 and last three months.	2/3 majority in Parliament (i.e. 134 votes out of 200).	General support across political parties expected.
France	Yes	Ratified on February 7 <sup>th</sup> , 2008. In the General Assembly 336 votes in favour, 52 against. In the Senate: 265 in favour, 42 against.	Simple majority needed in each chamber, then a 3/5 majority in Congress, (i.e. 545 out of 908), which brings together the national Assembly and Senate.	The ratification process was marked by the division of the Socialist Party (largest opposition party). While the Socialist Secretary General Hollande stood in favour of the Treaty, former PM Fabius commented that a Parliamentary ratification would only be a "limited ratification, typical of a limited democracy".
Germany	No	The government presented a ratification bill on Dec. 19 <sup>th</sup> , 2007. First reading of the bill on March 13 <sup>th</sup> , 2008. Final vote in the Bundestag scheduled for April 24 <sup>th</sup> / 25 <sup>th</sup> , 2008. Final vote in the Bundesrat scheduled for May 23 <sup>rd</sup> 2008.	Simple majority in both chambers.	With the exception of the Left Party, there is a large consensus among German political parties in favour of the Treaty and its fast ratification. The timing of the final ratification depends on the decision of the Constitutional Court expected by the end of 2008 on the constitutional complaint issued by CSU deputy P. Gauweiler.
Greece	No	Expected for May 2008	Simple majority in Parliament.	General support across political parties, little attention from public.

Hungary	Yes	Ratified on December 17 <sup>th</sup> , 2007 with 325 votes in favour, 5 votes against and 14 abstentions	A 2/3 majority of the elected members of Parliament (i.e. 255 out of 386).	Hungary was the first country to ratify the Treaty. It had been second to ratify the Constitutional Treaty in 2005.
Ireland	No	Referendum bill published on March 6 <sup>th</sup> , 2008. Referendum will be held in the first or second week of June (probably on June 12 <sup>th</sup> , 2008)	Simple majority in Parliament and over 50% of votes in referendum.	The parties of the governing coalition, Fianna Fáil (majority party), the Greens and the Progressive Democrats as well as the Fine Gael and Labour parties call for ratification. Sinn Féin is the only political party with representation in the Irish Parliament that opposes ratification.
Italy	No	Bill for ratification of the Treaty was approved by the Council of Ministers on Dec. 31 <sup>st</sup> , 2007. Ratification expected to be completed until December 2008.	Simple majority in both chambers.	Support across most political parties.
Latvia	No	Expected to be ratified during the first half of 2008.	Simple majority in Parliament, two readings.	Broad political support across parties and within the population; straight forward ratification expected.
Lithuania	No	Ratification process started on March 10 <sup>th</sup> with the beginning of a new Parliamentary session. Expected to be completed before May 9 <sup>th</sup> , 2008.	Simple majority in Parliament.	Broad political support across parties and within the population; straight forward ratification expected.
Luxemburg	No	Expected to be completed by June 2008.	Simple majority in Parliament.	Only the small right wing conservative ADR (10% of the electorate) is expected to vote against the Treaty.
Malta	Yes	Unanimously ratified on January 29 <sup>th</sup> , 2008.	Simple majority in Parliament.	Broad political support across parties and within the population; straight forward ratification expected.
Netherlands	No	Debate in the summer and decision expected by fall 2008.	Simple majority in Parliament and Senate.	The Labour (PvdA) faction unexpectedly came out in favour of Parliamentary ratification, thus abruptly closing the referendum issue.
Poland	No	The government passed a ratification bill onto Parliament on February 19 <sup>th</sup> . The vote in the Sejm was expected on March 27 <sup>th</sup> , 2008, but recent deadlock between government and opposition makes a referendum look like a possible alternative.	2/3 majority in the presence of at least 50% of the members of both chambers if defined as a transfer of powers, otherwise simple majority.	While the government party Civic Platform (PO) supports the Lisbon Treaty in its current form, the opposition party Law and Justice (PiS) opposes ratification, due to concerns over the effectiveness of the opt-out from the Charter of Fundamental Rights. President Kaczynski thus submitted his own ratification bill to Parliament as an alternative to that proposed by Prime Minister Tusk. Since opinion polls suggest that the population is largely in favour of the Treaty, Tusk suggested a public referendum if the Treaty cannot get through Parliament.

Portugal	No	Report by the Parliamentary Commission on European Affairs on the Treaty is due to be presented on April 16 <sup>th</sup> , 2008. Parliamentary ratification is expected to follow soon.	Simple majority of votes in Parliament.	Support for the Treaty across political parties and within the population. The debate on holding a referendum or not was not motivated by fear of popular rejection.
Romania	Yes	Ratified on February 4 <sup>th</sup> , 2008 with 387 votes in favor, 1 vote against and 1 abstention.	A 2/3 majority in a joint sitting of the Chamber of Deputies and the Senate.	Large support across political parties.
Slovakia	No	Postponed until later in the year.	3/5 of members of Parliament (i.e. 90 votes out of 150).	The government encountered difficulties in the run up to ratification, as opposition parties linked their assent to the treaty to the re-drafting of a "media bill", claiming that the Press Act did not respect the freedoms of speech and access to verifiable information, as required by the Treaty.
Slovenia	Yes	Ratified on January 29 <sup>th</sup> , 2008 with 74 votes in favour, 10 votes against and 6 abstentions.	2/3 majority in Parliament (i.e. 61 votes out of 90).	Support across political parties, only opposition from Slovenian National Party.
Spain	No	Unlikely before June-July or even September- October 2008.	Absolute majority required in the Congress (i.e. 176 votes out of 350), a simple majority in the Senate. Congress can overrule a veto by absolute majority in the Senate.	Ratification process of the Lisbon Treaty can start only after the formation of the new government (Parliamentary elections were held on march 9 <sup>th</sup> , 2008). Both major parties, Socialists (PSOE) – who won the elections - and Peoples Party (PP) support the Treaty.
Sweden	No	Last target date for ratification set by the government is January 2009.	Simple majority in Parliament.	General support across parties. Possible debate on human rights protection and the militarization of the EU.
UK	No	On March 5 <sup>th</sup> , decision in the House of Commons against a referendum. On March 11 <sup>th</sup> , vote in the House of Commons: 346 in favour of the Treaty, 206 against. Vote in the House of Lords scheduled for April 1 <sup>st</sup> , 2008.	Simple majority in both houses. Rejection by the House of Lords would require an additional reading in the House of Commons.	Conservatives had demanded a referendum, but Labour party won a vote in favour of Parliamentary ratification.

**Sources:**

Sara Hagemann: Treaty ratification: state of play, European Policy Centre 2008, available at: [www.epc.eu/en/pub.asp?TYP=TEWN&LV=187&see=y&t=&PG=TEWN/EN/detailpub&l=12&AI=915](http://www.epc.eu/en/pub.asp?TYP=TEWN&LV=187&see=y&t=&PG=TEWN/EN/detailpub&l=12&AI=915) (last access: 25.03.2008).  
 Update and supplementary information: Institute for European Politics (Ed.): EU-27 Watch, No. 6, March 2008, Berlin.

# 1

## Future of the EU

- **The Portuguese presidency managed to reach an agreement on the new reform treaty in Lisbon in October 2007. With the signing of the 'Lisbon Treaty' in December 2007, the period of ratification begins. In this regard, what are the reactions in your country in terms of the following?**
  - **the timetable for ratification,**
  - **communication with citizens / the wider public**
  
- **Please draw a picture of the state of discourse on the preparation of and probable obstacles to ratification in your country's**
  - **Parliament**
  - **Referendum**
  
- **What are the reactions to the establishment of a 'Committee of the Wise' with regard to the following?**
  - **its agenda/mandate**
  - **its members/personalities**
  - **its expected results**

## Future of the EU

### Austria\*

#### No obstacles for parliamentary ratification – but some calls for a referendum

After the signing of the Lisbon Treaty Austria's Chancellor Gusenbauer declared that the country would quickly ratify the treaty. In mid January 2008 the Lisbon Treaty was approved by the SPÖ–ÖVP coalition cabinet and passed on to the parliament.

Ursula Plassnik (ÖVP), Minister for European and International Affairs, declared she is expecting an intensive debate but a speedy authorization process in the parliament so that the proceedings will be finished by mid 2008. Observers do not see any obstacles to this timetable as the two coalition parties and the largest oppositional party, the Greens, have signalled to approve the treaty.

#### *Communication with citizens*

Chancellor Gusenbauer stated that one of the EU's communication problems was the fact that common decisions are mainly based on compromises which have to take many different interests into consideration. Gusenbauer also mentioned that he aimed at strengthening political communication with the people, in order to better explain the significance and the contents of EU regulations. Gusenbauer criticised in this context the reflex to call the whole EU into question when people are not content with some decisions or regulations. He argued that the link between criticizing single issues and questioning the whole could only be broken by better communication.

Answering the question how he would explain people the Lisbon Treaty he said:<sup>74</sup>

- That the Charta of Fundamental Rights would give every single EU citizen the right to appeal against national laws to the European Court.  
The treaty strengthens democracy in the EU by increasing the influence of the European Parliament and of national parliaments. The treaty would not only imply the parliamentarisation of decision-making processes but would also guarantee the ability to

make decisions within the Union as such.

- The Lisbon Treaty guarantees the functioning of an enlarged Europe. All previous treaties were designed for a Union of 15 members. Now we are 27. When a family grows, reorganisations have to take place. The EU is not a difference in this sense. The Lisbon Treaty was certainly not the best option but compared with the Treaty of Nice it would mean a clear improvement, he said. The citizens would not need a Europe occupied with itself, but one looking forward and occupied with the questions of tomorrow.

Vice-Chancellor Wilhelm Molterer stated that the government will have to explain the content of the treaty. He said that it will be necessary to include the Federal Council (Upper house of the Parliament) as well as the regional parliaments and the mayors into this information strategy.

Gottfried Kneifel (ÖVP), member of the Federal Council, emphasised that it was necessary to inform every single citizen about the body of the alterations to the treaty. However, this was not only the task of the government but of every single member of parliament. Communication strategies should emphasise that the EU is an unequalled peace project without any alternative, he added.<sup>75</sup>

#### *Ratification also by referendum?*

As previously mentioned there are no obstacles expected during the procedures in parliament as the two ruling parties SPÖ and ÖVP, but also the largest oppositional party, the Greens, have signalled to approve.

The two right wing parties, the FPÖ and the BZÖ, declared that they will not approve the treaty. However, there are quite a number of voices calling for a referendum on the issue. These voices include the two right wing opposition parties, prominent regional politicians from the SPÖ, as well as intellectuals and representatives of the print media.

\* Austrian Institute of International Affairs.

<sup>74</sup> Newspaper Der Standard, 02.01.2008.

<sup>75</sup> EU-Ausschuss des Bundesrates begrüßt EU-Reformvertrag Stärkung der nationalen Parlamente ist Chance und Auftrag, available at: [http://www.ots.at/presseaussendung.php?schluessel=OTS\\_20071121\\_OT0364](http://www.ots.at/presseaussendung.php?schluessel=OTS_20071121_OT0364) (last access: 05.03.2008).

The Austrian government has agreed on the fact that a referendum on the issue is not required. Chancellor Gusenbauer said that it was not necessary to hold a referendum on an improved treaty when there was already no referendum on the first treaty. The same view was shared by Barbara Prammer (President of the Parliament). However, regional heads of the social democratic party, including the mayor of Vienna and the leader of the social democrats in the province of Oberösterreich have expressed sympathy for a referendum.

The two oppositional right wing parties, the BZÖ and the FPÖ, have blamed the government to be afraid of the people and to shy away from a referendum on the issue. They have argued that as the treaty constitutes an essential amendment to the entire constitution, a referendum would be essential. Leftist groups including the communists have put forward the same argument.

Gusenbauer mentioned in an interview for the daily newspaper Standard that the call for a referendum was the expression of Euro-scepticism, but, he continued, this expression should not be confused with the solution of the problem. Neither the rejection of the treaty nor a referendum on the treaty would be an answer to Euro-scepticism.

Gerfried Sperl, a columnist of the Standard, criticised in his article the government's stance in this question as pure opportunism.<sup>76</sup> Whereas a referendum on the Lisbon Treaty has been deemed not to be necessary, the coalition stipulated a referendum on Turkey's EU membership. Sperl criticises the lack of any principles in regard to referenda and says that it is obvious that a referendum on the treaty was simply deemed to be too dangerous as such a move would not be supported by economically influential circles, whereas a huge majority has been highly critical of Turkey's membership.

Austria's Kronen Zeitung started a campaign calling for a referendum on the issue. The rather EU critical paper defends the position that the Lisbon Treaty affects the principle of the sovereignty of the people as it transfers too many decisions to Brussels.

<sup>76</sup> Gerfried Sperl: EU-Vertrag: Schindluder mit Volksabstimmung, in: Der Standard, 7.1.2008, available at: <http://derstandard.at/druck/?id=3171830> (last access: 05.03.2008).

### *Reactions to the establishment of a 'Committee of the Wise'*

It has been generally noticed that the establishment of such a committee goes back to French President Nicolas Sarkozy's initiative, in order to keep Turkey out of the Union. France had conditioned approval to the continuation of negotiations with Turkey on the establishment of such a committee. However, contrary to his intentions the committee will not analyse Europe's future boundaries but will mainly focus on such questions as the strengthening and the modernisation of the European model, of economic success and social responsibilities, the rule of law, and of sustainable development as one of the EU's fundamental principles, as well as on global security, migration, energy, climate protection, and the fight against international crime and terrorism.

Whereas Austrian print media has speculated over ex-chancellor Schüssel's nomination for the post of the chairman of the committee, it was the Spanish ex-Prime Minister Felipe Gonzales who was appointed to this job. The Austrian media has repeatedly put out speculations about Schüssel's ambitions for a higher post within the EU.

Andreas Mölzer, member of the European Parliament (FPÖ), mentioned that the idea first sounded good whereas at a closer look it would become clear that the establishment of such a committee would actually mean the continuation of an undemocratic tradition of the EU. He further criticised that a closer look on the members of the committee would reveal that they are almost exclusively former heads of governments who have been jointly responsible for the stalemate of the Union.

However, it should be mentioned that reactions to the establishment of a „Committee of the Wise“ remained rather limited.

## Future of the EU

### **Bulgaria\***

#### **Ratification via parliament**

The future of the EU is a topic with very limited media coverage in Bulgaria. The leading actors demonstrating a considerably high level of activity with regard to this topic are mainly Bulgarian politicians directly involved in the EU

\* **Bulgarian European Community Studies Association.**

policy-making process, i.e. the Prime Minister, the Foreign Affairs Minister, the Minister of European Affairs, and the Bulgarian MEPs. For the broader public and the NGO sector the EU's future development and perspectives are not of a high priority. In this respect, the Bulgarian Minister of European Affairs Ms. Gergana Grancharova states that: "Bulgarian citizens are not interested in the EU policy-making process. They are interested in the EU decisions themselves."<sup>77</sup> According to her, the Bulgarian debate on the EU future has been "shadowed" by domestic issues.<sup>78</sup>

Bearing in mind the current state of this debate in Bulgaria on the basis of the limited information in the Bulgarian public media, we will try to present the main Bulgarian positions on the Lisbon Treaty. According to the Prime Minister Sergei Stanishev, Bulgaria was an active participant in the elaboration of the new reforming treaty, as a result to which the Bulgarian national interests are well defended.<sup>79</sup> The position of the Minister of Foreign Affairs Ivailo Kalfin, expressed in an interview for Bulgarian Nation Radio is also along these lines: "This treaty is in a complete harmony with Bulgarian national interests, [and the latter] are well defended."<sup>80</sup> The Foreign Minister firmly supports the new Lisbon Treaty claiming that this treaty gives further opportunities for a more transparent policy-making process within the institutional machinery of the EU, providing for the participation of the civil society in the EU decision-making process.<sup>81</sup> In the same interview Ivailo Kalfin also supports the future limiting of the number of European Commissioners arguing that after the reform the European Commission's efficiency and

flexibility with respect to the decision-making process are expected to increase.

As an example of the effective defence of the Bulgarian national interest during the negotiations concerning the Lisbon Treaty, Bulgarian Minister of European Affairs Ms. Gergana Grancharova outlines the decision of the EU member states' governments and European institutions to accept the Cyrillic pronunciation and spelling of the European currency "evro" as a legitimate part of official EU documents. The Bulgarian position, as well as its acceptance by other member states, received a high media coverage in Bulgaria and was strongly supported by Bulgarian citizens.

Concerning the issue of the ratification timetable, leading Bulgarian politicians express their support for the idea that the treaty should not be ratified as fast as possible but that a wider public debate should be held before the ratification starts. Bulgarian MEP Mr. Kristian Vigenin (PES) claims that ratification without a broad debate would not be a very appropriate decision. At the same time, he supports the Lisbon Treaty ratification by the Bulgarian National Assembly, arguing that referendum ratification could be used, as a political tool, by those opposing the Lisbon Treaty and future development of the European integration process.<sup>82</sup> Support for a wider public debate has also been expressed by European Commissioner Ms. Meglena Kuneva who states that what is important is "[...] not who will first ratify it [the Lisbon Treaty] but who will understand it better [...]".<sup>83</sup>

The Minister of European Affairs<sup>84</sup> and the Chairman of Bulgarian National Assembly Georgi Pirinski<sup>85</sup> are in favour of the ratification of the Lisbon treaty by the parliament and not via referendum. Both politicians do not expect any ratification problems bearing in mind the

<sup>77</sup> Interview with the Bulgarian Minister of European Affairs Ms. Gergana Grancharova for Weekly Newspaper "Kapital", 21.12.2007, available at: <http://www.capital.bg>, accessed on: 01.01.2008.

<sup>78</sup> Ibidem.

<sup>79</sup> Bulgarian Prime Minister Mr. Sergei Stanishev, "Prez parvata godina ot chlenstvoto v ES pokazahme, che umeem da otstoiavame interesite si" ("During our first year as a member state we demonstrated that we can defend our interests"), 13.12.2007, available at: <http://www.dnesplus.bg>, accessed on: 01.01.2008.

<sup>80</sup> Interview of Bulgarian Minister of Foreign Affairs Mr. Ivailo Kalfin for the Bulgarian National Radio (BNR), "Horizont, "Nedelja 150" program ("Sunday 150"), available at: [www.mfa.bg](http://www.mfa.bg) (the official website of Bulgarian Ministry of Foreign Affairs), accessed on: 01.01.2008.

<sup>81</sup> Interview of Bulgarian Minister of Foreign Affairs Mr. Ivailo Kalfin for the Bulgarian National Television (BNT), "Deniat zapochva" program ("The Day Starts"), available at: [www.mfa.bg](http://www.mfa.bg) (the official website of Bulgarian Ministry of Foreign Affairs), accessed on: 01.01.2008.

<sup>82</sup> "Narodnoto sabranie shte ratifizira Dogovora ot Lisabon oshte parvite mesesezi na 2008g" ("The Bulgarian National Assembly will ratify the Lisbon Treaty within the first months of 2008"), Info radio, available at: <http://vigenin.eu>, accessed on: 01.01.2008.

<sup>83</sup> Ibidem.

<sup>84</sup> "Bulgaria shte ratifizira dogovora ot Lisabon v nachaloto na 2008" ("Bulgaria will ratify Lisbon Treaty in the beginning of 2008"), Bulgarian Post, 21.12.2007, available at: [www.bpost.bg](http://www.bpost.bg), accessed on: 01.01.2008.

<sup>85</sup> Ushev, Dimitar, "Dogovorot za reformi na ES ot Lisabon – trudniat pat kam edno po-dobro satrudnichestvo" ("EU Lisbon Reforming Treaty – difficult way towards a better cooperation"), Bulgarian National Radio (BNR), available at: <http://bnr.bg>, accessed on: 01.01.2008.



current composition of the Bulgarian National Assembly.

Concerning the establishment of "The Committee of the Wise" in Bulgaria there was no reaction and debate on its mandate, personalities and expected results. The country has provided no articulated position on the issue yet. Therefore it is natural to expect that it will be influenced by the reaction of the leading member states.

## Future of the EU

### Croatia\*

#### Timetable for ratification vs. Croatian accession timetable

The signing of the Lisbon Treaty was very much welcomed in Croatia, having in mind the fact that it opens a clear perspective for integrating the country and the region into the EU. The signing of the Treaty was a historic day for the EU, stressed the Prime Minister Sanader at the meeting of the European People's Party (EPP) in Brussels. In his opinion, the assumption for integrating Croatia (and later the other countries of the region) is to finish the process of Treaty ratification in 2008 or at the beginning of 2009, which will prepare the legal ground for the enlargement.<sup>86</sup>

The signing of the Lisbon Treaty was by some analysts in Croatia compared with the emperor's new clothes!<sup>87</sup> The EU finally got its new clothes – instead of the Constitution (which could, according to its extensiveness, be compared to the Constitution of the former Yugoslavia, dating from 1974), European citizens got the Lisbon Treaty, which is a shorter but not easier document to understand.<sup>88</sup> A lot of compromises could hardly contribute to transparency, openness and democracy, which were demanded from the Constitution before. Luckily the request to incorporate the Copenhagen criteria into Lisbon Treaty was not accepted (which would have given the Court of Justice the possibility to have a final say on the accession of a country into the EU). Thus, further

enlargements have been enabled, what is among the most important achievements.

A lot of attention is paid to the Slovenian Presidency, since the future of the EU and the ratification of the Lisbon Treaty are among its top priorities. The Croatian Government very much supports the intention of the current Presidency to have the Treaty ratified by the national parliaments at the beginning of 2009, as this would hopefully allow its entering into force before the European Parliament elections in 2009.<sup>89</sup>

The announced ratification procedures are followed with interest. The timing of the Treaty ratification process is often compared with the envisaged time frame of Croatia's integration into the EU, as it is the precondition for Croatia's entry into the EU. There are expectations that Croatia might close most of the chapters in 2008 and the remaining ones in 2009, i.e. before the dismissal of the European Parliament, so that the Accession Treaty could get the assent and hopefully take part in the new EP assembly.<sup>90</sup> The readiness of the European Parliament to give the assent to Croatia during the current assembly was confirmed recently on the occasion of the third meeting of the Working group for Croatia held within the Committee of the Regions EU, devoted to the negotiation accession perspective,<sup>91</sup> although it was underlined that Croatia is "catching the last train for the EU". In the case that this would not be possible, the accession would be postponed for several years.<sup>92</sup>

Another, more realistic approach would be that Croatia makes more significant progress in negotiations in 2008, finalise the negotiations in 2009, while the Accession Treaty could be drafted, signed and ratified by 2010 allowing Croatia to enter the EU in late 2010 or early

<sup>89</sup> Irena Frlan, journalist, „Small country for a great presidency“, Vjesnik, 5 January 2008.

<sup>90</sup> Jurica Körbler, „The EU wants Croatia to get Government as soon as possible“, Vjesnik, 27 December 2007.

<sup>91</sup> The member of the EP and reporter on Croatia Hannes Swoboda said on mentioned occasion in Brussels, 23 January 2008, that Croatia should conclude the negotiations by the end of 2008 or very early in 2009, to allow a few months to prepare and translate the Accession Treaty to all languages, before the last plenary meeting of the EP which will be held in April 2009. His comment was that it is not impossible to achieve this goal, but very difficult. He reiterated earlier calls for Croatia to speed up reforms in order to finalise accession negotiations in time.

<sup>92</sup> Zlatko Komadina, the county-ruler of the Primorsko-Goranska County, in Novi list, 24 January 2007.

\* Institute for International Relations.

<sup>86</sup> „I expect speeding up of negotiations“, Vjesnik, 15/16 December 2007.

<sup>87</sup> Grubiša, Damir, Europa, Supplement for the EU integration, No 55, Novi list, 7 November 2007.

<sup>88</sup> De Prato, Stojan (journalist), Večernji list, 14 December 2007.

2011.<sup>93</sup> For other analysts even 2012 sounds more realistic.<sup>94</sup>

*Communication with citizens/wider public – mostly regarding Croatia's future EU membership*

The role of communication with citizens is in this respect different in Croatia, having in mind that the country is not an EU member state. There are no preparations taken so far for the immediate ratification of the Lisbon Treaty but there is a strong need to raise the awareness on EU integration issues among Croatian citizens which do not seem to be very Euro-optimistic.<sup>95</sup> There is a series of projects that are finalised (or are being finalised) in Croatia within the PHARE programme framework<sup>96</sup> aiming to raise the awareness, relevance and the impacts of the EU integration process for citizens. Due to the relatively low public support for the EU integration and lack of effective two-way communication, there is a need for raising awareness and enhancing public debate in Croatia on the impacts of EU membership. The recently completed national study "Attitude of Croatian citizens towards the Croatia's Membership in the EU"<sup>97</sup> that was promoted on December 19, 2007 in Europe House Zagreb, is one of such projects. It is focused on knowledge, attitudes and beliefs of Croatian citizens related to the EU seen from the prism of human rights' protection and gender equality. Self assessment of the knowledge about the EU and Croatia's accession covers the reasons for establishing the EU, the functioning of the EU, political developments and economic relations within the EU, and the course of negotiations of Croatia's accession process. The study showed that the majority of the Croatian population (about 40%) evaluated their

knowledge about all these topics as moderate, while at the same time much more respondents assess their knowledge as poor than as good.<sup>98</sup>

The academic view on the communication strategy in Croatia is that it should be focused on "critical" segments of the Croatian population and their fears and expectations regarding EU integration. It should not be implemented on a general level of newsletter, workshops and conferences, but implemented through concrete answers and measures, adjusted to everyday-life situations. Everybody should contribute – there are particularly good possibilities within the education system, local political elites, better use of pre-accession funds, etc.<sup>99</sup>

*Ratification of the Treaty is not an obligation for Croatia*

Croatia is not an EU member state and as such does not have an obligation to ratify the Lisbon Treaty either in Parliament or by calling a referendum.

*The reactions to the establishment of a 'Committee of the Wise' – the most important issues are not in the agenda/mandate*

The final agenda and mandate of the „Committee of the Wise“ to consider the Union's future was not much debated in Croatia. On the opposite, most of the media paid attention to those issues that will not be covered by the Committee's work. Media reacted on the first suggestion of president Nicolas Sarkozy that the group should deal with vexed questions which will not be the area of the wise men's Committees work – the final EU borders, further enlargements and institutional issues.<sup>100</sup> The final border issue was found to be very important by journalists, as there was a belief that the EU should agree upon what kind of borders the EU will have (if any), are they geographical, how far the enlargement could go, could Tunis, Israel and

<sup>93</sup> Zlatan Frohlich, negotiator, on the occasion of the book promotion "Manual on agreements and competition procedures for the EU funds", Zagreb, 15 December 2007.

<sup>94</sup> Dr. Damir Grubiša, Faculty of Political Sciences, on Croatian radio, the first programme: "In the Network of the First", 30 January 2008.

<sup>95</sup> According to results of EUROBAROMETAR, published by the EC on 18 December 2007, the Croatian citizens' support for EU membership is at level of 35%, which is an increase compared to the very low support of 29% in spring 2007.

<sup>96</sup> PHARE 2005, Multi-beneficiary programme on "Small Projects Programme".

<sup>97</sup> The study was conducted for the purposes of the project "Exploring unknown sites of the EU – guided through labyrinth of regulations that matter and influence our lives", carried out by B.a.B.e. – the Women's Human Right Group, Croatia and financed by the EC Delegation in Croatia from the PHARE programme and supported by the Office for Gender Equality of the Croatian Government.

<sup>98</sup> Čulig, Kufrin, Landripet: "Attitude of Croatian citizens towards the Croatia's Membership in the EU", FF Press B.a.B.e., pp. 184; also underlined at the book promotion in Europe House Zagreb, 19 December 2007.

<sup>99</sup> Nebojša Blanuša „Breaking the fears of young population regarding the EU“, interview based on the outcome of a wider research entitled „Public, elites, media and communication strategy for Croatia's accession into the EU“ carried out by the Faculty of Political Sciences, University of Zagreb. In: Europa Actualities, Supplement on EU integration, No. 55, 7 November 2007.

<sup>100</sup> Poslovni dnevnik, 14/15 December 2007.

Grusia become EU members, etc.<sup>101</sup> There were practically no reactions (except pure informative reporting) on the mandate of the „reflection group“, most probably due to the fact that the issues such as European social model of economic success, competitiveness, rule of law, energy, global stability and other issues were not seen as controversial. Finally, the idea to chart the European Union's long-term future within the horizon 2020-2030 was seen as a very useful one.

*Committee's members/personalities and its expected results*

There were some speculations about potential names and the composition of the „Committee of the Wise“ but without special interest for the issue. The names of the Committee were reported without many comments.

The general expectations are that the EU should be faced with fewer challenges in the future than it was the case in the previous period.

**Future of the EU**

**Cyprus\***

**Parliamentary ratification – little debate due to Presidential elections**

When the 27 Heads of State and Government met in Lisbon on 13 December 2007 for the signing of the Reform Treaty, President Tassos Papadopoulos and Foreign Minister Ms Erato Kozakou-Marcoullis signed it on behalf of the Republic of Cyprus. The European Commission welcomed the signature of the Treaty of Lisbon and called for its swift ratification. The 'Lisbon Treaty' must be ratified by all 27 member states in order to enter into force on 1<sup>st</sup> January 2009.

In Cyprus, ratification will take place through the Parliamentary mode (as opposed to a referendum). According to Article 169 of the 1960 Constitution of the Republic of Cyprus, international treaties are subject to approval by Parliament. Article 50 of the Constitution further stipulates that the President of the Republic and the Council of Ministers hold the right to veto Parliament's decision.

<sup>101</sup> Sabalić, Ines (journalist), "The wise plan big Europe", Slobodna Dalmacija, 13 December 2007.

\* **Cyprus Institute for Mediterranean, European and International Studies.**

At present, reactions in Cyprus vary between political parties. Although an exact timetable for ratification has not yet been decided, the left-wing party AKEL (Progressive Party of the Working People) has already expressed its reservations. Even though in the Brussels European Council 21-22 June 2007, Cyprus was among the member states that comprised the so-called 'Group of Friends' of the Constitution<sup>102</sup> – that wished to maintain the constitutional text – AKEL was openly against it and, in fact, all nineteen AKEL MP's rejected it in Parliament.<sup>103</sup> "[...] Our Party rejected the Constitutional Treaty because we disagree with the constitutional imposition of neo-liberalism, the dismantling of the social state and all that entails for the working people. Moreover, we reject the restriction of the political rights and individual freedoms of the citizens in the name supposedly of security and suppression of terrorism".<sup>104</sup>

Other political parties in Cyprus were in favour of the Constitution, and are also today prepared to embrace the 'Lisbon Treaty'. These political parties are: the conservative DISI (Democratic Rally); the centrist DIKO (Democratic Party); the social-democratic EDEK (Movement of Social Democrats); the centre-right EVROKO (European Party); the ecologists' KOP (the Green Party); as well as EDH (United Democrats) and ADIK (Democratic Movement) which are marked by an elusive identity.<sup>105</sup>

As discussed below, the Cypriot Presidential elections, to be held in mid-February 2008, have overwhelmed Cyprus's political (and social) life for the last few months. Thus, communication with the wider public about the 'Lisbon Treaty' has been essentially suspended. To be sure, there have been a couple of initiatives on the part of private and public universities to hold panel discussions – open to the public – with politicians and academics; and there have been occasional

<sup>102</sup> The other countries that were members of the 'Group of friends' of the Constitution were Austria, Belgium, Bulgaria, Estonia, Finland, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, Romania, Slovakia, Slovenia and Spain.

<sup>103</sup> The Constitution was not rejected however, as all the other MPs voted in favour of the Constitution – with the exception of one MP from the Green Party who abstained from voting.

<sup>104</sup> Sylikiotis, Neoklis, AKEL, Cyprus (Member of CC), Speech given in the "Meeting of communist and other leftwing forces of European countries", Lisbon, Portugal, Saturday, 4 March 2006.

<sup>105</sup> The last two parties are not represented in Parliament today.

articles in the press on the issue. Overall, therefore, the citizens at large know very little about the 'Lisbon Treaty'. There are clear signs, however, that Cyprus's Parliament, the Government, and the country's think tanks intend to inform public opinion immediately following the Presidential elections.

No obstacles are foreseen in the process of ratification of the 'Lisbon Treaty'.<sup>106</sup> It is expected that the Treaty will be ratified by a large majority in Parliament, even though AKEL MPs will probably vote against ratification or will abstain from the process.

As regards the establishment of a "Committee of the Wise" or "reflection group", there has been, as yet, no serious discussion of the issue; but there has been no criticism either. Apart from the aforementioned prolonged, and intense, pre-election atmosphere, the wait-and-see attitude may also be explained by the feeling that it is presently unclear how far Cyprus's cardinal or immediate anxieties will be affected. After all, whereas the initial proposal by French President Nicolas Sarkozy concerned the "definition of Europe's final borders", it now seems to be the case that, under Felipe Gonzalez, the committee will focus broadly on ways and means to reverse the decline in the Union's "economic and political influence in the world".<sup>107</sup> Observers in Cyprus – including the members of our own Institute (KIMEDE) – noted Mr Gonzalez' elegant evasion of the issue of Enlargement and the concomitant issue of Turkey's possible membership. In his 15 January 2008 *Financial Times* interview, Mr Gonzalez was reported to have said that the relevant question "was not 'what is Europe' but rather which citizens are willing to share a common project".<sup>108</sup> Beyond the above, then, there has been no discussion of the Gonzales committee's anticipated agenda or its expected results.

<sup>106</sup> It should be recalled that the Republic of Cyprus became a full EU Member on 1 May 2004 in its entirety, in spite of the illegal occupation of 37 percent of its territory – being, ever since, EU territory – by around 40,000 Turkish troops. According to Protocol 10 of the 2003 Treaty of Accession, the *acquis communautaire* will be applied to the occupied territory upon the resolution of the country's (legal/political and ethical) problem.

<sup>107</sup> Leslie Crawford, "Rebel seeks innovators to shake up Europe", *Financial Times*, 15 January 2008.

<sup>108</sup> *Ibid.*

## Czech Republic\*

### The 2009 Council presidency restricts the debate on the Lisbon Treaty

The major political parties in the Czech Parliament all agree to the Lisbon Treaty (LT). It seems most likely that the treaty will be ratified in the parliament. This is a change comparable to the past discussions on the Treaty establishing a Constitution for Europe (TCE), in which the major right-wing party in Czech politics, the Civic Democratic Party (ODS), was firmly against it. The ODS, being currently the major party of the governing coalition, has changed its position for two reasons. Firstly, the government does not want time-consuming discussions regarding a new treaty to overshadow the Czech Council presidency during the first half of 2009. Secondly, the ODS needed to find a compromise with the other two parties in the currently governing coalition, the Green Party and the Christian Democratic Party, which were both for ratifying the TCE.

Yet, despite this, some parts of the ODS remain sceptical and some leading representatives keep expressing negative opinions of the treaty, which in the view of its critics is nothing more than a new name to the TCE. This internal split in the ODS became obvious at the party congress in November. As a compromise, the party decided that the Constitutional Court should give its opinion on the treaty. Only after the Court's ruling, the party is to decide on how it should be ratified.<sup>109</sup> What could cause a problem for the Constitutional Court, according to some MPs, is the Charter of Fundamental Rights. One of the reasons why the ODS earlier rejected the TCE was because of the inclusion of the charter.<sup>110</sup> Even if the LT does not include the charter in the text, the treaty *de facto* still entails the charter by referring to it.

The only parliamentary party firmly against the treaty is the Communist Party, which also

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<sup>109</sup> Topolánek s Vondrou hájili před kongresem reformní smlouvu (Topolánek and Vondra defended the reform treaty at the congress), Czech News Agency, 24 November 2007.

<sup>110</sup> For a detailed discussion, see also Institute of International Relations: Czech Republic (Scenarios), in: Institute for European Politics (Ed.): EU-25/27 Watch, No.4, January 2007, Berlin, pp. 76-78.

wants to submit the treaty to a popular vote.<sup>111</sup> Also, President Václav Klaus has expressed his concerns regarding the Lisbon Treaty, even if he has restricted his participation in the public debate on the topic.<sup>112</sup> Thus, Klaus at least partly respects the government's line.<sup>113</sup>

The Lisbon Treaty is understood in two utterly different ways in the Czech debate. On the one hand, the leadership of the ODS argues that the treaty should be understood as a radical change when compared to the TCE, and on the other hand, the Social Democrats (ČSSD), the second major party in Czech politics, argue that they support the treaty because it is, in its essentials, the same treaty as TCE, an interpretation which is shared by the critics of the treaty from the ODS.

Clearly, the biggest challenge to the treaty comes from the more Euro-sceptical wing of the ODS. This is not surprising given that the party, at its 2006 conference, adopted a resolution which prohibited ODS politicians from handing over any further competences to the EU and also from extending the agenda where decisions can be taken by a qualified majority.<sup>114</sup>

The position of the ODS party leadership is that the government actually managed to achieve something during the complicated negotiations at the EU level, where the Czech Republic belonged to the minority with a critical position on the original text. As achievements, the party leadership underscores (among other things): 1) that the new treaty does not include state-like symbols including the word "constitution" in the title of the treaty, 2) the principle of two way flexibility which strengthens the position of national

<sup>111</sup> Prohlášení k evropské reformní smlouvě (Declaration regarding the European Reform Treaty) ("to" by tam mělo být pouze poka "European Reform Treaty" je zde adresát. "k" jsem chápal, jako že se prohlášení smlouvy týká.), available at: <http://www.kscm.cz/article.asp?thema=3029&item=36305> (last access: 04.03.2008).

<sup>112</sup> See e.g. interview with Václav Klaus, Hard Talk BBC, 12 November 2007, available at: <http://news.bbc.co.uk/2/hi/programmes/hardtalk/7091092.stm> (last access: 04.03.2008).

<sup>113</sup> During the former governing coalition (2002-2006), Klaus allowed himself to enter public rowels (nemyslíte "rows" ve smyslu "argumenty" ? "rowels" mi tam nepasuje) with the government on the topic of the Constitutional Treaty. Currently, the president's own party is in government, and thus, this could explain his somewhat lower profile in regard to the topic.

<sup>114</sup> Usnesení 17. kongresu ODS (Resolutions 17. Congress ODS), available at: <http://www.ods.cz/akce/kongresy/17.kongres/stranka.php?page=450> (last access: 04.03.2008).

governments<sup>115</sup> and the so-called yellow card, which strengthens the role of the national parliament, and 3) that the new system of qualified majority voting in the Council has been postponed until the year 2017.<sup>116</sup>

Due to these points, in the Czech government, the ODS party leadership argued that the Lisbon Treaty should be interpreted as a reasonable compromise or as Deputy Prime Minister for European Affairs Alexandr Vondra put it: "...a compromise that we can live with".<sup>117</sup> Prime Minister Topolánek described it as a compromise: "...with which really no one can be satisfied. But the very capability of reaching a compromise is worth more than the text."<sup>118</sup> Yet, even if the ODS accepts the LT, their view cannot be described as being entirely positive. Topolánek argued at a press conference in December that the biggest gain of the new treaty is: "that it won't bother us anymore."<sup>119</sup>

It is clear that the leadership of the ODS, being aware of its position as the leading governing party, has taken concerns regarding the 2009 presidency into account when deciding on its position on the LT. The treaty might affect the Czech presidency in at least two different ways. Firstly, in the event of a very quick ratification finished before the end of 2008, this could lead to a scenario in which the Czech presidency would have to adapt to the new institutional structure of the LT. The question is then whether the President of the European Council would be appointed already during 2008 to enter office in the beginning of 2009 or after the elections to the European Parliament. The Czech Republic, on the one hand, would

<sup>115</sup> I.e. the possibility of returning competencies from the EU to the national level. In the event that the member states demand the cancelling of some valid legislation, the Commission shall pay attention to this.

<sup>116</sup> Výkonná rada ODS: Usnesení k tzv. Reformní smlouvě EU (The executive board of the ODS: Resolution on the Reform Treaty of the EU), available at: <http://www.ods.cz/zpravy/prispevek.php?ID=5872> (last access: 04.03.2008).

<sup>117</sup> "kompromisem, se kterým můžeme žít". Novou smlouvu EU v Senátu podpořili zástupci ODS i ČSSD (The new Treaty was supported in the Senate by both ODS and the Social Democratic Party), Czech News Agency, 1 November 2007.

<sup>118</sup> "...se kterou nemůže být spokojen vůbec nikdo. Ale samotná schopnost najít kompromis je cennější než samotný text," EU se dohodla na náhradě odmítnuté euroústavy, čekají ji reformy (EU agreed to a replacement for the rejected European constitution, expects reforms), Czech News Agency, 19 November 2007.

<sup>119</sup> "že od něj již bude pokoj". Topolánek: Ratifikace ujednání smlouvy nebude tak snadná (Topolánek: the Ratification of the Union treaty will not be that easy), Czech News Agency, 13 December 2007.



not like the President of the European Council and the High Representative of the Union for Foreign Affairs and Security Policy to replace the Czech Prime Minister and the Czech Foreign Minister as the chairperson for meetings of the European Council and the General Affairs and External Relations Council meetings respectively. On the other hand, the Czech Republic would not like to have to deal with the issue during its presidency. Since Czech officials consider it unlikely that the President of the European Council and the High Representative would be appointed before the elections to the European Parliament in 2009, a smooth ratification of the LT might be the best way to avoid these institutional questions being raised during the Czech presidency.<sup>120</sup>

There has so far been rather little incitement from the political side to initiate a bigger public debate on the Lisbon Treaty. The general view seems to be that the LT should be understood rather as a technical improvement of existing treaties which does not affect the overall relations between the Czech Republic and the EU institutions. Therefore, the issue should be decided by parliament without necessarily engaging the public in a broad debate on the topic.<sup>121</sup>

Whereas there was almost a political consensus in the Czech Republic on the need for a referendum regarding the TCE, for the LT, the opposite is true. Only the Communists clearly demand a referendum on the issue. They gained support for their bill on the subject in the Deputy Chamber from three dissidents from the ODS and three dissenting Social Democrats.<sup>122</sup>

The critics within ODS are intending to use the Constitutional Court to stop or delay ratification of the treaty. In the event that the Court comes to the conclusion that the LT does not conflict with the constitution, it is likely that the treaty can be ratified in parliament. If not, a referendum might be an option. The head of the Committee of European Affairs in the

Senate, Luděk Sefzig, argues that the opinion of the court will be crucial. In the event that it finds the LT not to be in accordance with the Czech constitution, that would, according to him, be "a severe problem."<sup>123</sup> However, so far, government representatives have all stated that they prefer ratification in parliament. Deputy Prime Minister for European Affairs Vondra thinks that the treaty can be ratified by the end of the year.<sup>124</sup>

The Czech Republic belonged to the countries which were initially critical towards the idea of a so-called *Committee of the Wise* for three reasons. Firstly, the Czech government was afraid that the committee could be used as a way to reopen discussions on aspects of the TCE that were in the end not included in the LT. Therefore, the Czech Republic did not want the committee to deal with institutional issues. Secondly, the Czech government disliked the idea of the committee defining the borders of the EU. In the Czech Republic, there is a broad support for further enlargement,<sup>125</sup> and thus, there were concerns that if this would be included in the agenda of the committee, it could be an attempt to rule out future Turkish membership. Thirdly, the government had objections to the agenda of the committee as they felt that it was overly oriented towards strengthening the European social model and not concerned enough with the economic competitiveness of the Union. After the December summit, however, the government expressed more positive statements regarding the agenda of the committee. The increased emphasis on the economic competitiveness was especially described by Vondra as being a positive result of Czech and British pressures. Regarding the composition of the committee, the comments from the government have been rather positive, primarily because the three persons so far appointed reflect types of backgrounds different from those associated with top European politics. The Czech government does not intend to put through its own

<sup>120</sup> Cf. Vláda: Nová smlouva EU je rozumný kompromis, jednání ale nekončí (The government: The new EU Treaty is a reasonable compromise, but negotiations have not ended), Czech News Agency, 10 October 2007.

<sup>121</sup> Nevertheless, there have been some debates and seminars arranged on the topic, for instance by the NGO Europeum, available at: [www.europeum.org](http://www.europeum.org) (last access: 04.03.2008).

<sup>122</sup> Reformní smlouvu EU má schvalovat parlament, ne lidé v referendu (The Reform Treaty should be approved by the parliament, not by the people in a referendum), Czech News Agency, 30 October 2007.

<sup>123</sup> ODS chce smlouvu EU poslat nejprve k soudu, podle něj se rozhodne (ODS wants to first send the treaty to court and then make a decision on it based on the court's decision), Czech News Agency, 13 December 2007.

<sup>124</sup> Vondra o ratifikaci nové smlouvy EU: Uměle to zdržovat nebudeme (Vondra on the ratification of the new EU Treaty: We are not going to delay it unnecessarily), available at: <http://www.euractiv.cz/budoucnost-eu/clanek/vondra-o-ratifikaci-nove-smlouvy-eu-umele-to-zdrzovat-nebudeme> (last access: 04.03.2008).

<sup>125</sup> See chapter 2.

candidate to the committee but will try to find a common candidate with Poland.<sup>126</sup>

## Future of the EU

### Denmark\*

#### Parliamentary ratification only

Denmark will not hold a referendum on the Lisbon Treaty as an investigation by the Danish Ministry of Justice in December 2007 concluded that the new treaty does not lead to any loss of national sovereignty. Under the Danish Constitution a referendum is needed when national sovereignty is relinquished to the EU (unless 5/6 majority in parliament is secured). Denmark was due to hold a vote on the European Constitution in 2005, but the planned referendum was scrapped after the no votes in France and the Netherlands. According to the Danish Ministry of Justice, nine mostly technical areas of the Constitutional Treaty would have involved a transfer of sovereignty to the EU, e.g. rules regarding identity papers, diplomatic protection, EU standards for medicine, and a common policy on space technology etc. These nine areas have been removed from the Lisbon Treaty leaving it for ratification by MPs<sup>127</sup>.

In the Danish Parliament, the Lisbon Treaty is seen as a step towards a more open, democratic and efficient EU, which is better suited to reap the benefits and handle the challenges of globalisation. The ratification of the treaty in the Danish Parliament will take place either in February or March 2008. The text is expected to easily win the approval of the Danish Parliament, notably after the opposition (the Social Democrats and Social Liberals) gave their backing to the Prime Minister for a parliamentary ratification and furthermore strongly support the treaty. However, not all parties in Parliament are

<sup>126</sup> Krátký summit položil základy Reflexní skupiny (Short EU summit founded Reflection Group), available at: <http://www.euractiv.cz/budoucnost-eu/clanek/kratky-summit-polozil-zaklady-reflexni-skupiny-a-rozhodl-o-misi-v-kosovu> (last access: 04.03.2008); EU nakonec zřejmě "radu moudrých" mít bude, otázkou je k čemu (EU will evidently have the Committee of the Wise, but the question is what for), Czech News Agency, 11 December 2007.

\* **Danish Institute for International Studies.**

<sup>127</sup> BBC News – No Danish vote on Lisbon Treaty, 11 December 2007, available at: <http://news.bbc.co.uk/2/hi/europe/7138138.stm> (last access: 21.01.08). For a more extensive discussion see Danish Institute for International Studies: Denmark (Future of the EU), in: Institute for European Politics (Ed.): EU-25/27 Watch, No. 5, September 2007, Berlin, pp. 31-33.

content with the decision of parliamentary ratification. Several parties (the Danish People's Party, the Socialist People's Party and the Unity List) have urged the government to hold a referendum as part of a wider EU-debate. These parties are supported by the two EU-sceptical movements, the 'June Movement' and the 'People's Movement against the EU'. Shortly after the Lisbon summit in October 2007, the People's Movement against the EU started signature petition to pressure the government to ratify the treaty through a referendum. Furthermore, the leader of the Socialist People's Party, Villy Søvndal – although supporting the treaty – finds that the EU is an elite project, where the voice of the people is bypassed thereby breaking the tradition for involving Danish citizens in EU matters<sup>128</sup>.

The Lisbon Treaty has received considerable attention in the Danish media, which has mainly focused on the difference between the new treaty and the failed Constitutional Treaty. For many, the Lisbon Treaty is seen to carry the same substance and ideas as the Constitutional Treaty. The lack of transparency compared to the previous Constitutional Treaty is generally seen as a drawback as the content of the treaty is difficult to understand for the general population.

The suggestion of a 'Group of the wise' is welcomed in Denmark. The Prime Minister, Anders Fogh Rasmussen, emphasized that the members of the group should refrain from discussing institutional and treaty changes in the EU as well as from discussing EU's external borders. The Danish parties, generally, agree that the group should focus on EU's problems relating to energy policy, the fight against terrorism and the EU economy in a global perspective. Anders Fogh Rasmussen put great emphasis on having an even division between men and women in the group, and he is open to nominating a Danish candidate for the group<sup>129</sup>.

<sup>128</sup> BBC News – No Danish vote on Lisbon Treaty, 11 December 2007, available at:

<http://news.bbc.co.uk/2/hi/europe/7138138.stm> (last access: 21.01.08).

<sup>129</sup> Politiken – Fogh vil have vise kvinder, 25 January 2007, available at: <http://mobil.pol.dk/nyheder/udlandarticle.pml;jsessionid=aaRSvLBjtxvd?articleid=446592> (last access: 21.01.08).

## Future of the EU

## Estonia\*

## Smooth ratification of the Reform Treaty expected

Estonia regards the ratification of the Reform Treaty as the most important priority for the Slovenian presidency.<sup>130</sup> Although the government had been strongly in favour of the Constitutional Treaty and continued to defend it throughout the reflection period, it now regards the quick ratification of the Reform Treaty by all member states as the best solution. Agreement on the treaty, Prime Minister Ansip argues, allows the EU to „conclude disputes over the procedural rules and concentrate on solving real problems.”<sup>131</sup> Considering that member state governments have worked on amending the treaty already for six years, it is „time to finish this process now, ratify the treaty and move on.”<sup>132</sup> The Estonian government has repeatedly expressed hopes that all member states will manage to approve the treaty in 2008 and that the new agreement will enter into force on 1 January 2009.

The government approved the draft law for ratifying the Reform Treaty on January 31, 2008 and forwarded it to the *Riigikogu* (the Estonian Parliament) for ratification. The ratification process will face few obstacles in Estonia and in all likelihood, will be completed this spring. Given that the Reform Treaty can be regarded as a weaker version of the Constitutional Treaty which was ratified by the *Riigikogu* on May 9, 2006, the conventional arguments against further integration (e.g. loss of sovereignty) will not work well at this stage.<sup>133</sup> The European Affairs Committee of the *Riigikogu* discussed the Reform Treaty on December 10, 2007 and there was agreement across all parliamentary parties that ratification

## \* University of Tartu.

<sup>130</sup> Press conference of the Government of the Republic of Estonia, 17.01.2008, available at: [www.riik.ee](http://www.riik.ee) (last access: 04.03.2008).

<sup>131</sup> Government Press Release, 13.12.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

<sup>132</sup> Ibid.

<sup>133</sup> Prior to the ratification of the Constitutional Treaty in May 2006, the *Riigikogu* had commissioned an extensive study examining the compatibility of the treaty with the Estonian constitution and analysing its legal effects. This study will remain an important reference point and can be used to quell any legal or constitutional objections to ratification. A popular referendum is out of the question on the grounds that if the Constitutional Treaty could be ratified by the Parliament, the Reform Treaty certainly can as well.

should take place already in the spring of 2008.<sup>134</sup> Indeed, the chair of the committee, Marko Mihkelson, emphasized the need to look beyond ratification and start figuring out the practical arrangements related to the treaty, especially with regard to the CFSP and the creation of the EU foreign service.<sup>135</sup> When meeting with the President of the European Commission José Manuel Barroso in December 2007, the speaker of the Parliament, Ene Ergma, similarly expressed hope that the *Riigikogu* would ratify the agreement in the first half of 2008.<sup>136</sup>

Strong public support for the EU will facilitate the ratification of the treaty and reduce incentives for political parties to problematise the agreement. Support has grown consistently and is now at a significantly higher level than at the time of the preaccession referendum.<sup>137</sup> Popular approval of EU membership reached record heights after the Bronze Soldier crisis in April 2007.<sup>138</sup> Since then, about 85% of voting-age citizens in Estonia support EU membership.<sup>139</sup> The increase in support has been attributed to heightened threat perceptions (Russia) and to strong EU support to Estonia during and after the crisis.<sup>140</sup>

Opposition to the Reform Treaty appears to be limited to marginal political groups. The Estonian Nationalist Movement, a non-parliamentary group founded in July 2006, issued a statement in December 2007 which claimed that the ratification of the Reform Treaty would amount to „treason” against the Estonian state and nation. As a secret deal threatening the independence of Estonia, the conclusion of the treaty is „an unforgivable

<sup>134</sup> European Affairs Committee of the *Riigikogu*, Press Release, „ELAK toetas valitsuse eesmäärke Sloveenia eesistumisperioodil”, 21.01.2008, available at: [www.riigikogu/elak](http://www.riigikogu/elak) (last access: 04.03.2008).

<sup>135</sup> European Affairs Committee of the *Riigikogu*, Press Release, 10.12.2007, available at: [www.riigikogu/elak](http://www.riigikogu/elak) (last access: 04.03.2008).

<sup>136</sup> „Ergma loodab ELi reformileppe kiirele heakskiitmisele *Riigikogus*”, Postimees, 20.12.2007.

<sup>137</sup> Speech by Prime Minister Andrus Ansip in the *Riigikogu* on the European Union policy of the government, 09.10.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

<sup>138</sup> For an overview of the crisis, see the previous issue of EU-25/27 Watch: University of Tartu: Estonia (Current issues and discourses in your country), in: Institute for European Politics (Ed.): EU-25/27 Watch, No. 5, September 2007, Berlin, p. 224.

<sup>139</sup> Government Press Release, 19.12.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

<sup>140</sup> However, it is interesting to note that ethnic Estonians and Russian-speakers do not differ in their level of support for the EU. This casts doubt on the interpretation that links high support rates to the Bronze crisis.



crime” comparable to the Molotov-Ribbentrop Pact of 1939. In response, the chair of the European Affairs Committee of the *Riigikogu* Marko Mihkelson said that the Nationalist Movement was just „making noise” in an attempt to gain „very cheap popularity” and that the statement did not merit broader discussion.

Others have criticized the decision-making process at the national level for lack of transparency, debate and deliberation. An article by Toomas Liiva in *Postimees*, one of the main dailies, calls attention to the fact that the December 6th meeting of the government where the Lisbon Treaty was approved lasted for only 2 minutes and 40 seconds.<sup>141</sup> Given that a total of 14 issues were decided at that meeting, the time allocated to the approval of the Reform Treaty was a mere 11 seconds. He dismisses the Prime Minister’s explanation that extensive debates on the issue were carried out at previous cabinet meetings and expounds on the fact that with this 11-second decision, Estonia gave away veto-powers in 68 policy areas.

The creation of the nine-member Reflection Group (“Committee of the Wise”) has received limited attention in Estonia. The media focused mostly on personalities: the fact that the two Vice Chairs, Vike-Freiberga and Ollila, come from Estonia’s neighbouring countries (Latvia and Finland, respectively) was a source of some excitement. However, there has been very little discussion of what the Group’s mandate should be and what contribution it can actually make. The Estonian government has made brief but supportive statements. It appears to appreciate the fact that the Group will not focus on institutional issues nor try to determine the future borders of the EU. According to the Prime Minister, it is a good thing that the group will focus on concrete topics such as economic competitiveness, sustainable development, global security, migration, energy, climate change, fight against international crime and terrorism.<sup>142</sup>

<sup>141</sup> Toomas Liiva, “Otsustamise mehaanikast”, *Postimees*, 13.12.2007.

<sup>142</sup> Government Press Release, 14.12.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

## Finland\*

### Lisbon Treaty: Ratification expected before July

The government will make the proposal on the Lisbon Treaty in March 2008 and thus it will most likely be discussed in the Parliament during the same month.<sup>143</sup> The Finnish government accepted the Treaty establishing a Constitution for Europe (TCE) on 5<sup>th</sup> of December, 2006<sup>144</sup> which was preceded by a lengthy and in-depth discussion during which the security guarantees were among the main topics. For the reason that the discussion around TCE was so comprehensive, the discussion on Lisbon Treaty is expected to be short and the ratification process is expected to end before July. However, since this discussion, the government has changed in March 2007 and therefore there is some debate to be expected. The ultimate goal, alongside with the EU, is to ratify the Treaty during this year. One also has to bear in mind that the proposal has to be written in two official languages which takes longer time. It has already been decided that there will not be a referendum on the issue.<sup>145</sup> Communication with citizens is being coordinated by the Europe Information offices of the Ministry for Foreign Affairs.<sup>146</sup> They are planning to publish a leaflet and hold seminars on the subject in various cities in Finland.

Regarding the general debate, security guarantees took much space in media. The opposition leader, Mr. Eero Heinäluoma (SDP), has emphasized the role of security guarantees in the Lisbon Treaty. According to Mr. Heinäluoma, the formulation of the Lisbon Treaty is stricter than the NATO Article 5, because within NATO the country can decide itself which kind of assistance it gives, whereas according to the Lisbon Treaty, the states are bound to give all the assistance available in case of another EU country is being attacked.<sup>147</sup> Another national feature, related to this debate, was the negotiations regarding

#### \* Finnish Institute of International Affairs.

<sup>143</sup> Personal interview with Jukka Salovaara, Committee clerk for the Foreign Affairs Committee, 17.1.2008.

<sup>144</sup> Minutes of the Plenary Session of the Finnish Parliament, PTK 127/2006, 5.12.2006.

<sup>145</sup> Personal interview with Jukka Salovaara, Committee clerk for the Foreign Affairs Committee, 17.1.2008.

<sup>146</sup> Europe Information, available at:

<http://www.eurooppatiedotus.fi/public/default.aspx?nodeid=39036&contentlan=2&culture=en-US>.

<sup>147</sup> Helsingin Sanomat, Article, 17.12.2007.

the Finnish national agricultural subsidies and Article 141. This debate was at its peak point in the fall and the government was being blamed by the public and the media for losing this important battle. In the end, the main opposition party (SDP) and the nationalist True Finns party claimed that these negotiations should be linked with the ratification process of the EU Reform Treaty (later the Lisbon Treaty).<sup>148</sup> However, this idea was silenced fast by the government.

According to Eurobarometer, 60% of the Finnish people feel optimistic about the future of the EU, compared to 66% of EU-27. People living in cities, students, managers and those of 25-39 years of age are among those who are most optimistic about the future of the EU.<sup>149</sup>

One of the most prominent academic EU experts in Finland, Professor Esko Antola, predicted that it is most likely that in 2012 there will be the next Intergovernmental Conference and thus the major institutional changes that are coming into effect in 2017, would not have time to come into operation. However, now the Treaty includes a possibility of reforming itself without an Intergovernmental Conference.<sup>150</sup>

*Committee of the wise: Vice-chairman a prominent Finn*

The official government point of view on the Committee of the wise is that it is a positive idea bearing in mind that it aims to improve the competitiveness of the EU in the future and it does not aim to change the institutional structure of the EU.<sup>151</sup> Regarding the composition of the group, its vice-chairman being a prominent Finn, Mr. Jorma Ollila (a former CEO of the Nokia Corporation and Non-Executive Chairman of Royal Dutch Shell), no further discussion on the composition of the group has been taken place.<sup>152</sup> Yet, Suomen Kuvalehti noticed that the chairman, Mr Felipe González, was "An opponent of

Turkey's membership" and thus a disappointment for Turkey.<sup>153</sup> This article shows that Finnish discussion on the future of the Union is among other things concentrating on Turkey's possible membership. This might be due to the fact that Finland has the enlargement portfolio of the Commission. After these above-mentioned news in mid-December, there have not been any major news in the media about the Committee.

Regarding the expectations on this Committee, Prime Minister Matti Vanhanen had three expectations as to what the group should talk about: the EU's competitiveness and how to achieve the goals set down at the Lisbon Treaty; the Union's influence in the field of climate change, environment and energy as well as internal market issues, immigration and the fight against terrorism; and finally, the ways in which to increase the EU's importance in international politics.<sup>154</sup> Minister Astrid Thors stated that the group should also discuss basic topics such as "What is Europe and what are its borders".<sup>155</sup> The chairman of the Grand Committee of the Parliament Erkki Tuomioja (SDP) stated that he does not believe the group will achieve much and that it is useless, but if it makes things easier with France, then it does not have a negative impact on anything either.<sup>156</sup>

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## Future of the EU

### France\*

#### President Sarkozy's determination to push forward

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##### *A rapid parliamentary ratification*

Following the signature of the Lisbon Treaty in October 2007, French President Nicolas Sarkozy made it clear he wanted France to be one of the first European countries to ratify the treaty, ideally by December 2007. Such eagerness demonstrated Sarkozy's

<sup>148</sup> Aho, Esko, Interviewed on Finnish National Broadcasting Cooperation (YLE Aamu TV), 18.10.2008 at 7:18.

<sup>149</sup> Standard Eurobarometer 68, available at: [http://ec.europa.eu/public\\_opinion/archives/eb/eb68/eb68\\_fi\\_exec.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb68/eb68_fi_exec.pdf).

<sup>150</sup> Seminar: The Aftermath of the European Council, 17.12.2007, available at: [http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet\\_2007/eu-huippukokouksen\\_jalkiloylyt/#](http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet_2007/eu-huippukokouksen_jalkiloylyt/#).

<sup>151</sup> Personal interview with Jukka Salovaara, Committee clerk for the Foreign Affairs Committee, 17.1.2008.

<sup>152</sup> Helsingin Sanomat, Editorial and article on p. B2, 15.12.2008.

<sup>153</sup> Suomen Kuvalehti, Article, p. 9, 21.12.2007.

<sup>154</sup> Prime Minister Matti Vanhanen, Speech, 25.9.2007, available at: <http://www.vn.fi/ajankohtaista/puheet/puhe/en.jsp?oid=206979>.

<sup>155</sup> Seminar: The Aftermath of the European Council, 17.12.2007, available at: [http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet\\_2007/eu-huippukokouksen\\_jalkiloylyt/#](http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet_2007/eu-huippukokouksen_jalkiloylyt/#).

<sup>156</sup> Seminar: The Aftermath of the European Council, 17.12.2007, available at: [http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet\\_2007/eu-huippukokouksen\\_jalkiloylyt/#](http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet_2007/eu-huippukokouksen_jalkiloylyt/#).

\* Centre européen de Sciences Po.

commitment to a rapidly progressing EU.<sup>157</sup> President Sarkozy announced that the treaty would be ratified by the Parliament, and that the ratification process would begin immediately after the signature of the treaty on December 14<sup>th</sup> 2007, to be finalized at the latest by February 8<sup>th</sup> 2008. The first step towards the ratification, as stated by the Constitutional Council, is the adoption of a constitutional law, which modifies the French constitution. Such a law was presented on January 3<sup>rd</sup> 2008 to the Council of Ministers and adopted by the National Assembly and the Senate, convened in Congress on the 4<sup>th</sup> of February 2008. Three days later, both Chambers ratified the Lisbon Treaty with a massive majority.

### *Struggle for a Referendum*

The treaty ratification process has been the source of much debate in the country, particularly since France rejected by referendum the Treaty establishing a Constitution for Europe in May 2005. Many actors and observers – both for and against the treaty – believed that another referendum was necessary, and saw in the parliamentary procedure a “democratic denial” – and even “high treason” to quote left-wing eurosceptic constitutionalist Anne-Marie Le Pourhiet.<sup>158</sup> According to a poll conducted in October 2007, 61% of the French people would like to have a new referendum (with 68% declaring themselves to be in favour of the treaty).<sup>159</sup> It has been argued by some newspapers that Sarkozy is trying to “avoid” a public debate on the question as much as possible. The parliamentary ratification seems final and without appeal, despite the fact that the arguments justifying this method of ratification over a referendum were not very convincing. It has been argued, for instance, that the treaty would not be ratified by a referendum because it is not a constitution. However, commentators have highlighted the similarities between the two texts, and even Valéry Giscard d’Estaing said that “the tools are exactly the same, only their order has been changed in the toolbox”.<sup>160</sup> “In my view, it is a rape, a political rape, it is a cause of civil war” declared Etienne Chouard, who was actively involved in the media and on the internet during the campaign for the referendum in 2005.<sup>161</sup> Different

initiatives, such as online petitions, were initiated by associations and left-wing parties, requesting a referendum.<sup>162</sup>

The ratification process has been marked by the division of the Socialist Party – France’s largest opposition party. On the one hand, the Socialist Secretary General François Hollande clearly stands in favour of the new treaty. He is joined by other personalities such as Pierre Moscovici and Bernard Poignant, who have been advocating “a critical Yes, rather than constructive abstention”.<sup>163</sup> Former Prime Minister Laurent Fabius, on the other hand, commented that a parliamentary ratification would only be a “limited ratification, typical of a limited democracy.” Jean Marc Ayrault, leader of the Socialist group in the National Assembly, announced that his party would symbolically boycott the revision of the constitution needed before the ratification, because they stand in favour of a referendum. In his words, “the direct approval of the French people is necessary for this treaty. It will signify the solemn reconciliation of the French people with Europe”. However, the majority of the Socialist group will vote in favour of the ratification, and it is highly probable that the treaty will be ratified at the beginning of February 2008.

### *The “Committee of the Wise”: mixed reactions*

The creation of a ‘Committee of the Wise’, an initiative announced by President Sarkozy, that would be in charge of contemplating the future of the EU, produced mitigated reactions amongst the French public. While it raised enthusiasm amongst several commentators who believed that Europe does need to think about its future, others considered this new structure to be reflective of a (so-called) EU democracy deficit. According to Sylvie Goulard, president of the European Movement – France, “Europeans today need and want more than just another committee to decide their future“. A French member of the Commission for constitutional matters at the Parliament claimed that: “there already is a committee of the wise in charge of thinking about the future of the EU; it is called the European Parliament”.<sup>164</sup>

In analyzing the president’s motivations for this initiative, a large proportion of observers

<sup>157</sup> Libération, 19/12/2007.

<sup>158</sup> Le Grand Soir.info, 24/12/2007.

<sup>159</sup> Sondage CSA – le Parisien – Aujourd’hui en France.

<sup>160</sup> Le Monde, 26/10/2007.

<sup>161</sup> Libération, 22/10/2007.

<sup>162</sup> Among others: [www.nousvoulonsunreferendum.eu](http://www.nousvoulonsunreferendum.eu); <http://referendumeurope2007.free.fr>; <http://debout-la-republique.fr/Petition-nationale-16-millions-d.html>.

<sup>163</sup> Le Monde, 24/10/2007.

<sup>164</sup> Libération, 10/09/2007.

implied that the president had a hidden agenda to slow down Turkey's possible accession to the EU. However, the mandate of the 'Committee of the Wise' will in fact be limited, and will not deal with such issues as EU borders, institutional matters, or the next financial framework of the EU. According to Sylvie Goulard, this is an important issue. Ms. Goulard proclaimed that the Committee's mandate should not be limited, and should certainly not exclude important topics such as borders or finance: "We believe, to the contrary, that the Committee of the Wise should discuss all issues, and make finance and borders its priorities. Europe needs oxygen".<sup>165</sup> The nationalist party, Front National, added: "One might as well say that this new Committee Theodule will not speak of anything until 2010, when it makes its conclusions".<sup>166</sup> For this very eurosceptic party, therefore, this committee would only be an "empty shelter".

The choice of former Spanish Prime Minister, Felipe González, as chair of the Committee generated mixed reactions. While some observers showed optimism that the group would be led by a "convinced Europhile", others noted that González stands against Turkey's accession to the EU, thus representing a good ally for Sarkozy.<sup>167</sup> The composition of this Committee is also criticised by the left-wing, which considers many of its members to be too liberal on economic issues.<sup>168</sup>

## Future of the EU

### Germany\*

#### Now a rapid ratification process

##### Political actors

German reactions to the agreement on the reform treaty were mainly positive.<sup>169</sup> With regard to the question of ratification Foreign Minister Frank-Walter Steinmeier stated that he wanted Germany to go ahead as model country with a rapid ratification process.<sup>170</sup>

<sup>165</sup> Libération, 13/12/2007.

<sup>166</sup> Communiqué de Jean Marie Le Pen, 19/12/2007.

<sup>167</sup> Le Point, 14/12/2007.

<sup>168</sup> L'Humanité, 21/12/2007.

\* Institute for European Politics.

<sup>169</sup> Cf. Institut für Europäische Politik (ed.): EU 25/27 Watch, No. 5, September 2007, Berlin, pp. 37-41.

<sup>170</sup> Cf. speech of Foreign Minister Frank-Walter Steinmeier at the occasion of the parliamentary debate on the Intergovernmental Conference on 11 October 2007 in the German Bundestag, 12 December 2007.

Chancellor Angela Merkel argued optimistically that there was now "much more confidence than some time ago"<sup>171</sup> and that the reform treaty will be implemented by the European Elections in 2009. Having promised to guarantee a rapid ratification of the Lisbon Treaty in Germany<sup>172</sup>, at the occasion of the official adoption of the reform treaty by the Federal Cabinet on 14 November 2007 the German Government declared its goal of having finished the ratification process in Germany by the summer recess 2008.<sup>173</sup> The concrete window for ratification in both chambers of the German parliament, the *Bundestag* and *Bundesrat*, was later set by Merkel for mid-May 2008.<sup>174</sup> In her speech to the *Bundestag* Merkel showed herself to be optimistic that the ratification process will also be successful in the other EU member states.<sup>175</sup> In accordance with the slogan of the German EU Council Presidency she declared that "Europe can only succeed together".<sup>176</sup> On 19 December the German Government adopted the Law on the Ratification of the Treaty of Lisbon.<sup>177</sup> At the official press conference Merkel's spokesman Thomas Steg declared that now "the internal state ratification procedure was introduced".<sup>178</sup> In order to have a buffer against potential legal complaints he reiterated May 2008 as the concrete date for the termination of the German parliamentary ratification process: "One can never be sure that there will be no complaint of unconstitutionality".<sup>179</sup> It is here worth noting that in the German case there has already been a precedent for this in 2005 in the context

<sup>171</sup> Merkel, Angela at the press conference on the Informal European Summit, 19 October 2007. That optimism is however rejected by Klaus Hänsch (SPD) who states that the situation for ratification were not better than in 2005.

Cf. Hänsch, Klaus: Ende gut – alles gut? Anmerkungen zum Reformvertrag, in: integration 4/07, pp. 499-502.

<sup>172</sup> Cf. Press conference by Chancellor Merkel on the Informal European Summit, 19 October 2007.

<sup>173</sup> Cf. German Government: Bundesregierung stimmt EU-Reformvertrag zu, 14 November 2007.

<sup>174</sup> Cf. Government declaration of Chancellor Angela Merkel on the signing of the Lisbon Treaty and the European Council Meeting, 12 December 2007. Since the Lisbon Treaty amends the existing European treaties, i.e. an international treaty, in Germany the ratification process will take the form of an act of parliament, which must be approved by a two-thirds majority in both chambers of the German parliament, the *Bundestag* and the *Bundesrat*. Cf. Article 23 and 79 of the German Basic Law.

<sup>175</sup> Cf. Government declaration of Chancellor Angela Merkel on the signing of the Lisbon Treaty and the European Council Meeting, 12 December 2007.

<sup>176</sup> Ibid.

<sup>177</sup> Cf. German Government: Ratifizierung des "Vertrages von Lissabon" eingeleitet, 19 December 2007.

<sup>178</sup> Translated by the author. Governmental press conference of 19 December 2007.

<sup>179</sup> Ibid.

of the Constitutional Treaty's ratification process.<sup>180</sup> Having the last word in signing the Lisbon Treaty's text Federal President Horst Köhler will probably find himself once again in an awkward situation<sup>181</sup>: If CSU deputy Peter Gauweiler and members of the Left Party have filed a complaint of unconstitutionality to the Federal Constitutional Court (*Bundesverfassungsgericht, BVerfG*), Köhler will then have to decide whether to go ahead and sign off the treaty anyway or wait for the Constitutional Court to make its case.<sup>182</sup> In the German government it is hoped that Köhler will choose the first path, also by reason of not embarrassing Germany in the EU, since it has been the major power behind the reform debate.<sup>183</sup> On the other hand, Köhler risks damaging his own image in view of a potential re-election as Federal President in 2009.<sup>184</sup>

With the exception of the Left Party, there is a large consensus in favour of the Lisbon Treaty and its fast ratification among German political parties. However parties differ on the ratification's procedure shape and focus.

In a joint motion of parliament<sup>185</sup> the ruling parties of the Grand Coalition, the Christian Democrats (*CDU/CSU*) and the Social Democrats (*SPD*) emphasised communication with other national parliaments in order to find a suitable schedule for ratification. In that respect they also demand that the government better coordinate the German ratification process with the other EU member states and better inform the wider public about the reform treaty's details.

In comparison, however, it is clear that the two biggest parties stress different issues. Whereas the Christian Democrats focus on

their concern that the ratification process, and especially referenda, could become a "heavy obstacle"<sup>186</sup> to the implementation of the Lisbon Treaty, the Social Democrats emphasis coordination with other national parliaments and active communication with the public.<sup>187</sup> In order to guarantee a common ratification process in the EU member states within a short time period<sup>188</sup> the German and French Parliaments have initiated a coordinated procedure.<sup>189</sup> In that context the issue is raised that a member state's decision on the Lisbon Treaty should be connected to the general question of its EU membership: Thus, yes or no to the reform treaty would mean yes or no to its membership in the EU in general.<sup>190</sup>

The Liberals (*FDP*) were in general more reserved than CDU, SPD and Greens regarding the outcome of the Lisbon Treaty<sup>191</sup> but also in favour of its rapid ratification. They stress the fact that the Lisbon Treaty is for the citizens.<sup>192</sup> They demand that Chancellor Merkel must present it to the Bundestag and to the wider public. In their view, if the Lisbon Treaty is rapidly ratified, the EU could concentrate on its real function: policy-making for the benefit of European citizens.<sup>193</sup>

For the Greens (*Bündnis 90/Die Grünen*) the most important topic is also the dialogue with the citizens which should be held in a transparent way.<sup>194</sup>

Among the German democratic parties only the Left Party (*Die Linke*) rejects the Lisbon Treaty by reasons of its, in their view,

<sup>180</sup> At the time, Federal President Horst Köhler had postponed his decision to sign the ratification document because he wanted to wait for the Federal Constitutional Court's (*Bundesverfassungsgericht, BVerfG*) decision on the complaint of unconstitutionality filed by CSU deputy Peter Gauweiler.

<sup>181</sup> Cf. Deutscher Widerstand gegen EU-Vertrag wächst, in: Welt Online, 19 February 2008.

<sup>182</sup> In formal terms, it is possible to sign off the Lisbon Treaty even if the Constitutional Court is still examining it. However, such a move is politically difficult, especially if the Constitutional Court were to eventually decide against the legality of the Lisbon Treaty.

<sup>183</sup> Cf. Deutscher Widerstand gegen EU-Vertrag wächst, in: Welt Online, 19 February 2008.

<sup>184</sup> Ibid.

<sup>185</sup> Entschließungsantrag der Fraktionen der CDU/CSU und SPD zu der Abgabe einer Regierungserklärung durch die Bundeskanzlerin. Unterzeichnung des Vertrages von Lissabon am 13. Dezember 2007 und zum Europäischen Rat am 14. Dezember 2007, 11 December 2007.

<sup>186</sup> Stübgen, Michael: EU-Ratsgipfel: Weg für eine handlungsfähige EU geebnet, 19 October 2007.

<sup>187</sup> Cf. Schwall-Düren, Angelika in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13803-13804.

<sup>188</sup> Cf. Roth, Michael: EU-Vertrag gemeinsam ratifizieren, 23 July 2007. Cf. also Schwall-Düren, Angelika in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13803-13804.

<sup>189</sup> Ibid. French parliamentarians and senators, however, have already adopted the Treaty of Lisbon on 7 February 2008.

<sup>190</sup> Cf. Schäfer, Axel: Ein wichtiger Erfolg, aber für Euphorie ist es zu früh, 19 October 2007; Hänsch, Klaus: Ende gut – alles gut? Anmerkungen zum Reformvertrag, in: integration 4/07, pp. 499-502.

<sup>191</sup> Cf. Hoyer, Werner, Löning, Markus: EU-Reformvertrag – ein Erfolg mit bitterem Beigeschmack, 19 October 2007.

<sup>192</sup> Cf. Löning, Markus: Reformvertrag muss sich für die Bürger auszahlen, 13 December 2007.

<sup>193</sup> Cf. Hoyer, Werner, Löning, Markus: EU-Reformvertrag – ein Erfolg mit bitterem Beigeschmack, 19 October 2007.

<sup>194</sup> Cf. Steenblock, Rainer in the parliamentary debate of 20 September 2007.



undemocratic and anti-welfare character.<sup>195</sup> Because of that lack of welfare statism foreseen by the German Basic Law (*Grundgesetz, GG*), the Left Party is considering filing a complaint of unconstitutionality to the Federal Constitutional Court when the *Bundestag* has officially adopted its decision.<sup>196</sup> Another important point for the Left Party also is the dialogue with the citizens. That is why several national and European party members started a campaign to collect 1 million signatures in order to install an EU-wide referendum in all member states on the same day.<sup>197</sup> In Germany that would mean to amend the Basic Law.<sup>198</sup> With that campaign the Left Party wants to express its dissatisfaction with the Lisbon Treaty only, not with the EU in general.<sup>199</sup>

#### *Academic community*

Whereas German academics did not hesitate to analyse the Treaty of Lisbon due to its institutional implications<sup>200</sup> and in comparison to both the Nice and Constitutional Treaty<sup>201</sup>

<sup>195</sup> Cf. Knoche, Monika in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13804-13805; Dehm, Dieter: Lissabon ist keine Alternative zu Nizza, 13 December 2007.

<sup>196</sup> Cf. Dehm, Dieter: Lissabon ist keine Alternative zu Nizza, 13 December 2007. Until now it is unclear if also Peter Gauweiler (CSU) will again initiate a complaint of unconstitutionality to the Federal Constitutional Court. Cf. his most recent article from 27 December 2007 in *Münchener Merkur*, available at: <http://www.peter-gauweiler.de/pdf/Donnerstagskolumne27.12.07.pdf> (last access: 25.1.2008).

<sup>197</sup> Cf. Bisky, Lothar: Linke sagt JA zur Europäischen Union, aber NEIN zum Reformvertrag, 13 December 2007; Kaufmann, Sylvia-Yvonne: Direkte Demokratie ist unteilbar – das gilt auch für die Partei die LINKE, 13 December 2007.

<sup>198</sup> Cf. Dehm, Dieter in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13814-13815.

<sup>199</sup> Cf. Bisky, Lothar: Linke sagt JA zur Europäischen Union, aber NEIN zum Reformvertrag, 13 December 2007.

<sup>200</sup> Cf. e.g. Wolfgang Wessels and Andreas Hofmann: Der Vertrag von Lissabon – eine tragfähige und abschließende Antwort auf konstitutionelle Grundfragen, in: *integration* 1/08, pp. 3-20; Kietz, Daniela, Maurer, Andreas: Bilanz und Zukunft der Präsidentschaft im System des Rates der Europäischen Union, in: *integration* 1/08, pp. 21-36; Kurpas, Sebastian et al., Joint Study CEPS, EGMONT and EPC: The Treaty of Lisbon: Implementing the Institutional Innovations, November 2007; Peter-Christian Müller-Graff: Primärrechtliche Entwicklungsschritte der Gemeinschaftsintegration zu einem transnationalen Gemeinwesen, in: *integration* 4/07, pp. 407-421.

<sup>201</sup> Cf. e.g. Centrum für Europäische Politik: Gegenüberstellung: Verträge von Nizza und Lissabon, Stand Februar 2008, available at:

[http://www.cep.eu/fileadmin/user\\_upload/Kurz-Analysen/Vergleich\\_Reformvertrag\\_-\\_Vertrag\\_von\\_Nizza\\_-\\_Verfassung/uebersicht\\_aenderungen\\_aeuu\\_und\\_euu.pdf](http://www.cep.eu/fileadmin/user_upload/Kurz-Analysen/Vergleich_Reformvertrag_-_Vertrag_von_Nizza_-_Verfassung/uebersicht_aenderungen_aeuu_und_euu.pdf)

they do not seem to have drawn too much attention to the question of its ratification process. Regarding its success only some authors expressed their optimism or scepticism. Arguing in October 2007 that the ratification process remains the main uncertain factor for the reform treaty's implementation<sup>202</sup>, the same author judged in December 2007 the chances for ratification to be much better than in 2005.<sup>203</sup> For others, the process of ratification is, however, not the most important point. In that perspective, even if it succeeds "Europe has to face the biggest challenges since its foundation"<sup>204</sup>:

1. Maintaining its economic strength.
2. Taking seriously its role as regional power in Eastern Europe and the Western Balkans.
3. Learning to be a serious actor in international security questions such as in the Atomic quarrel with Iran.
4. Taking its responsibility for the developing countries.

#### *Public opinion, media and Non-Governmental Organisations (NGOs)*

Among other actors the variety of opinions is as diverse as shown above. One commentator of the media considers the ratification process a real obstacle for the Lisbon Treaty's implementation, since every EU member state has to ratify within 12 months. In that respect he also thinks that even Germany cannot be sure because there is a danger of a complaint of unconstitutionality already announced by Karl Schachtschneider, an expert in constitutional law, who sees a "lack of democracy" within the reform treaty.<sup>205</sup>

[pdf](http://www.cep.eu/fileadmin/user_upload/Kurz-Analysen/Vergleich_Reformvertrag_-_Vertrag_von_Nizza_-_Verfassung/Gegenueberstellung_Verfassung_Stand_Okt_ober_2007_endgueltig.pdf) (last access: 25.1.2008); Centrum für Europäische Politik: Gegenüberstellung: Institutionelle Änderungen, Stand Oktober 2007, available at:

[http://www.cep.eu/fileadmin/user\\_upload/Kurz-Analysen/Vergleich\\_Reformvertrag\\_-\\_Vertrag\\_von\\_Nizza\\_-\\_Verfassung/Gegenueberstellung\\_Verfassung\\_Stand\\_Okt\\_ober\\_2007\\_endgueltig.pdf](http://www.cep.eu/fileadmin/user_upload/Kurz-Analysen/Vergleich_Reformvertrag_-_Vertrag_von_Nizza_-_Verfassung/Gegenueberstellung_Verfassung_Stand_Okt_ober_2007_endgueltig.pdf) (last access: 25.1.2008).

<sup>202</sup> Cf. Seeger, Sarah, Yüzen, Layla: Und nun Blick nach vorn! Bilanz des Lissabon-Gipfels am 18./19. Oktober 2007, CAP Aktuell, Nr. 13, October 2007.

<sup>203</sup> Cf. Seeger, Sarah: Das ist ein guter Tag für Europa, Interview in *Münchener Merkur*, 14 December 2007, available at: <http://www.cap-lmu.de/aktuell/interviews/2007/reformvertrag.php> (last access: 25.1.2008).

<sup>204</sup> Translated by the author. Techau, Jan: Der neue Traum von Europa, in: *Politisches Feuilleton*, Deutschlandradio Kultur, 23 November 2007, available at: <http://www.dradio.de/dkultur/sendungen/politischesfeuilleton/700357/> (last access: 25.1.2008).

<sup>205</sup> Cf. Berball, Ottmar: XXL-Europa mit gewaltigem Haken, in: *Focus online*, 19 October 2007.

The Federation of German Industries (BDI) and the Confederation of German Employers' Associations (BDA) both welcomed the Lisbon Treaty and pushed for a rapid ratification.<sup>206</sup> The latter stressed that Europe should come back to policy-making instead of institutional reform debates.<sup>207</sup> In contrast, NGOs such as ATTAC and Europa-Union, as well as the German Trade Union IG Metall, all emphasised the dialogue with citizens. However, whereas both ATTAC and the IG Metall criticise the Lisbon Treaty because of its ratification procedure, e.g. the fact that there will be no referenda except in Ireland<sup>208</sup>, Europa-Union is in favour of an immediate ratification based on the question of EU membership and a real communication strategy that conveys the motifs and successes of European integration to citizens.<sup>209</sup> In contrast, ATTAC neglects the Lisbon Treaty and demands an EU-wide referendum in order to lessen the gap between elite and people.<sup>210</sup> According to IG-Metall, the fact that there will be no referenda except in Ireland speaks against an opening of the EU to its citizens.<sup>211</sup>

A public opinion poll of March 2007<sup>212</sup> revealed that 77 per cent of German respondents believed people should be given a say in a referendum or citizen consultation procedure, above the EU average of 75 per cent. In contrast, only 23 per cent of German respondents consider the ratification by national parliaments as sufficient.

<sup>206</sup> Cf. Bundesverband der Deutschen Industrie: Vertrag von Lissabon: Mehrwert für Europas Handlungsfähigkeit, in: BDI-Info-Service, Ausgabe 23, 19 December 2007; Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA) and Bundesverband der Deutschen Industrie (BDI): Deutsche Wirtschaft: Vertrag von Lissabon umsetzen!, press information, 15 December 2007.

<sup>207</sup> Cf. Bundesvereinigung der Deutschen Arbeitgeberverbände (BDA) and Bundesverband der Deutschen Industrie (BDI): Deutsche Wirtschaft: Vertrag von Lissabon umsetzen!, press information, 15 December 2007.

<sup>208</sup> Cf. Attac: Vertrag von Lissabon macht Bürgerinnen und Bürger mundtot. Erklärung europäischer Attac-Organisationen zum EU-Reformvertrag, 13 December 2007; IG-Metall: Übersicht „Vertrag von Lissabon“ und erste Bewertung, 22 October 2007.

<sup>209</sup> Cf. Europa-Union: Den Vertrag von Lissabon ratifizieren – die europäische Einigung voranbringen, 2 December 2007.

<sup>210</sup> Cf. Attac: Vertrag von Lissabon macht Bürgerinnen und Bürger mundtot. Erklärung europäischer Attac-Organisationen zum EU-Reformvertrag, 13 December 2007.

<sup>211</sup> Cf. IG-Metall: Übersicht „Vertrag von Lissabon“ und erste Bewertung, 22 October 2007.

<sup>212</sup> Cf. Tns opinion: Public opinion and the future of Europe, March 2007.

*Reactions to the establishment of a 'Committee of Wise Men': Useful for the EU's strategic future but lacking democratic legitimacy*

#### *Political actors*

Among German actors Sarkozy's proposal to install a Committee of Wise Men caused different echoes. Although the German government did not seem to be satisfied with Sarkozy's idea from the beginning<sup>213</sup>, Merkel, at the Franco-German Blaesheim meeting on 10 September 2007, supported the general approach.<sup>214</sup> Merkel and Sarkozy left the question of its composition open at the time, Merkel saying only that "it should not be active politicians from the Commission, Council and Parliament but instead personalities with a certain distance and wisdom".<sup>215</sup> Concerning the connection of the Committee of Wise Men with the question of Turkey's EU membership, as indicated by Sarkozy, Merkel said that the group will speak about the EU's future, thus also about enlargement issues, however "not exclusively orientated on Turkey".<sup>216</sup>

In December, after the official establishment of the so-called "reflection group" at the European Council Meeting<sup>217</sup>, Merkel concretised the group's function, mandate, members and expected results:<sup>218</sup>

Regarding its mandate Merkel made clear that the reflection group will focus on the EU's role in 2020-2030 and beyond. Institutional questions were therefore excluded from its agenda. In contrast the group should deal with the big strategic questions of European development, such as the strengthening of the European economic and social model, the EU legal system, sustainable development, global stability, migration, energy, climate, security issues, crime and terrorism. The European citizens' expectations and needs, as well as questions of deepening and widening, should also be dealt with. Regarding its expected

<sup>213</sup> According to a high-level German diplomat.

<sup>214</sup> Cf. Merkel und Sarkozy für einen „Rat der Weisen“, FAZ.NET, 10.09.2007 (last access: 25.1.2008).

<sup>215</sup> Translation of the author. Pressekonferenz von Bundeskanzlerin Angela Merkel und Präsident Nicolas Sarkozy zum Blaesheim-Treffen, available at: [http://www.bundesregierung.de/nr\\_774/Content/DE/Mitsch/rift/Pressekonferenzen/2007/09/2007-09-10-pk-merkel-sarkozy.html](http://www.bundesregierung.de/nr_774/Content/DE/Mitsch/rift/Pressekonferenzen/2007/09/2007-09-10-pk-merkel-sarkozy.html) (last access: 25.1.2008).

<sup>216</sup> Ibid.

<sup>217</sup> Cf. Council of the European Union: Brussels European Council, 14 December 2007, Presidency Conclusions.

<sup>218</sup> Cf. Merkel, Angela in a press conference in Brussels, 14 December 2007.

results Merkel emphasised two main points: First, that the essential question for the group to answer is how Europe can better define its role, model, standards and interests. Second, that its main function is not to make political decisions but instead to prepare a sound basis for them by pointing to substantial strategic development in the near future which Europe must handle.

Apart from the official European Council's decision to install former Spanish Prime Minister Felipe Gonzalez as President and Jorma Ollila, board chairman of Nokia and Royal Dutch Shell, and Vaira Vike-Freiberga, former Latvian President, as Vice-Presidents of the reflection group, which should comprise a total of nine persons, Merkel stressed that when the group complete, then "Politics, Economy and certainly also social partners" will define its form.

In contrast to Chancellor Merkel several German parliamentarians expressed their uneasiness about the installation of a Committee of Wise Men. Jo Leinen, Member of the European Parliament, declared Sarkozy's idea a "fallback into methods of the 1960s and 1970s".<sup>219</sup> In his view the EU's future must not be discussed by elite circles but by elected representatives of the citizens in dialogue with the wider public. Thus, he proposed to install a new Convention after the implementation of the Lisbon Treaty in 2009. After the official decision on the installation of the reflection group he then stressed that the EP and the national parliaments will critically accompany and if necessary also revise the group's work.<sup>220</sup> In the *Bundestag* it were mainly the opposition parties FDP and the Greens who argued against the Committee of Wise Men. In a joint motion<sup>221</sup> the parties stressed that the Committee of Wise Men would weaken the European and national parliaments because of its lack of transparency and democratic legitimacy. Furthermore, they argue that this

group could harm the Lisbon Treaty's ratification process. They also demand a public debate in a Convention with wide participation of parliamentarians and civil society. According to them, only under these circumstances can a European public sphere evolve. Regarding the composition of the Committee of Wise Men the FDP demanded at least some parliamentary participation.<sup>222</sup>

Both Grand-Coalition parties, SPD and CDU/CSU, seemed to be less concerned about the Committee of Wise Men. In a joint motion the parliamentarians demanded continuous updates to the *Bundestag* by the German government on the group's work. Within the SPD, some deputies openly communicated their unease of the installation of a Committee of Wise Men.<sup>223</sup> Arguing that debates must take place in the parliaments it is furthermore stressed, in line with Merkel<sup>224</sup>, the necessity to proceed step-by-step: first, giving the citizens time to get to know the new reforms and its implementation and second, to begin new debates on the EU's strategic future.<sup>225</sup>

#### *Academic community*

In German academic debate the proposal for a Committee of Wise Men seemed to be of minor interest. In addition, it is differently evaluated: Whereas one publication put emphasis on the fact that such a group could contribute to the euroscepticism of many British citizens regarding further integration steps<sup>226</sup>, others argue that this group of experts could be reasonable and useful for drawing a long-term strategy for the EU<sup>227</sup>. Referring to its

<sup>219</sup> Leinen, Jo: Neuer Konvent statt „Rat der Weisen“, 11 September 2007.

<sup>220</sup> Leinen, Jo: Parlament wird „Rat der Weisen“ kontrollieren, 16 December 2007.

<sup>221</sup> Deutscher Bundestag: „Gegen die Einsetzung eines ‚Rates der Weisen‘ zur Zukunft der EU“, Antrag der Fraktion der FDP und der Fraktion Bündnis 90/Die Grünen, Bundestagsdrucksache 16/7178, 14 November 2007. Cf. Also Löning, Markus in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13811-13812; Steenblock, Rainer: Keinen „Rat der Weisen“ einsetzen, 10 December; Steenblock, Rainer in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13815-13816.

<sup>222</sup> Löning, Markus: Dank der portugiesischen Ratspräsidentschaft ist „Rat der Weisen“ vom Tisch, 7 December 2007.

<sup>223</sup> Cf. e.g. Roth, Michael: Rat der EU-Weisen: Kein weiser Beschluss, 10 September 2007.

<sup>224</sup> Translation of the Author. Ibid.

<sup>225</sup> Cf. Roth, Michael in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13809-13811; Roth, Michael: Vertrag von Lissabon: Jetzt zügige Ratifizierung im Bundestag, 13 December 2007; cf. also Schwall-Düren in the parliamentary debate of 12 December 2007, in: Deutscher Bundestag, Stenografischer Bericht, 132. Sitzung, pp. 13803-13804.

<sup>226</sup> Cf. Seeger, Sarah, Yüzen, Layla: Und nun Blick nach vorn! Bilanz des Lissabon-Gipfels am 18./19. Oktober 2007, CAP Aktuell, Nr. 13, October 2007.

<sup>227</sup> Cf. Seeger, Sarah: Das ist ein guter Tag für Europa, Interview in Münchner Merkur, 14 December 2007, available at: <http://www.cap-lmu.de/aktuell/interviews/2007/reformvertrag.php> (last access: 25.1.2008); Chardon, Matthias, Hierlemann, Dominik, Seeger, Sarah: A Chance for Wise Men, in:



important precursors, such as the Spaak, Delors or Kok group, the authors argue that they “had a lasting influence on European integration”.<sup>228</sup> The same authors, however, stress that usefulness of a Committee of Wise Men depended on certain preconditions:

1. The group is protected from political instrumentalization.
2. The group has a clear mandate demonstrating that the debate’s focus lies with the broad, strategic lines of European integration.
3. The debate is public.
4. The group members are not active politicians.
5. The current reality of an EU-27 is taken into account.
6. There is political will from the member states to take into account the group’s final recommendations.

In any case, in their view, Sarkozy’s idea “has touched a raw nerve in the European Union”<sup>229</sup> in times when Plan D and the discussion of big European questions has failed.

#### *Public opinion, media and Non-Governmental Organisations (NGOs)*

According to a recent poll from Bertelsmann Foundation, German, French and British citizens are mainly in favour of a Committee of Wise Men. Most notably in Germany and France two thirds of respondents expressed their positive attitudes to Sarkozy’s proposal.<sup>230</sup>

Among other actors the BDA also reacted quite positively to the establishment of a reflection group. Their main concern is its “balanced composition”<sup>231</sup>, the guarantee of a certain political distance of its members and public access to its work.

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Bertelsmann-Stiftung, Center for Applied Policy Research: spotlight europe #2007/07, October 2007.

<sup>228</sup> Chardon, Matthias, Hierlemann, Dominik, Seeger, Sarah: A Chance for Wise Men, in: Bertelsmann-Stiftung, Center for Applied Policy Research: spotlight europe #2007/07, October 2007.

<sup>229</sup> Ibid., p. 1.

<sup>230</sup> Cf. Bürger plädieren für „Rat der Weisen“, in: Handelsblatt, 16 October 2007.

<sup>231</sup> Bundesvereinigung der Deutschen

Arbeitgeberverbände: Ergebnisse des Dezember-Gipfeltreffens unter portugiesischer Präsidentschaft, 17 December 2007.

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## Greece\*

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### “A Treaty, at last!”

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Most of political circles, academia and the media welcomed in Greece the signing of the “Lisbon Treaty” in quite a positive way; indeed, “salvaging the essentials of the Constitution” seemed to be in Greece the consensus about the final outcome of the protracted efforts at institutional change and “bringing the EU at the 21<sup>st</sup> century” that the Laeken Summit started and the Reform Treaty finally crystallised. Greece, it should be remembered, had already ratified the Constitutional Treaty (at a four-fifths majority in Parliament, on April 19, 2005, second only to Italy in ratifying among the EU–15); the Government party – Nea Dimocratia – considers itself one of the most ardent proponents of active/federal European integration, as Prime Minister Costas Karamanlis was prompt in reminding Greek public opinion after the conclusion of the Lisbon proceedings in December 2007; the main Opposition party – PASOK – prided itself at having played an instrumental role in the final stages of the Convention process (at the Thessaloniki Summit, under the 2003 Greek Presidency).

It has been announced that the Reform Treaty would be ratified, in Parliament, within the briefest period of time. No obstacles to ratification are foreseen. Still, heavy storms prevailing at the Greek political scene (totally unrelated to European matters or even to politics *stricto sensu*) may interfere with the ratification timing. On the other hand, public-opinion interest has been quite limited; the press has devoted formal rather than in-depth coverage to the Lisbon Treaty; among academic circles, the signing of the “Lisbon Treaty” has renewed interest – e.g. as in the EKEME/Athens University European Workshop’s Roundtable organised on 18<sup>th</sup> December 2007, days after the Lisbon Summit<sup>232</sup>. Positions expressed ranged from relief over the fact that “there is a Treaty, at last!” to regret that the “constitutionalisation attempts of European integration” were diluted and that the project of ‘Political Europe’ is effectively adjourned for an indefinite period<sup>233</sup>.

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#### \* Greek Centre of European Studies and Research.

<sup>232</sup> The Roundtable’s deliberation can be found at EKEME’s site, [www.ekeme.gr](http://www.ekeme.gr) (soon available).

<sup>233</sup> For a positive/optimistic assessment of the Reform Treaty on the part of the diplomatic establishment see, e.g. K. Lymberopoulos, The Brussels Summit and the Reform

As to the “Committee of the Wise” formed in order to think ahead as to the further future of the EU, thus reversing the logic of the “Reflexion Period” initiated in 2005, its announcement was greeted positively. Greece is generally keen to welcome such wisdom exercises; ex-Prime Minister Costas Simitis was often associated (in local media) to “Wisemen” ventures. In the same frame of mind the participation of Spanish ex-Prime Minister Felipe Gonzalez caused positive reactions. Nevertheless, expectations from the “Committee of the Wise” are rather unfocused: “getting Europe moving again” or “taking up from where the Draft Constitution/Constitutional Treaty/Convention outcome has left” are the positions more often taken, at least among those with federalist leanings. Considering how high in Greek priorities one finds – e.g. in successive Eurobarometers – the furthering of CFSP, at least this field can be expected to constitute a field of future interest.

#### Future of the EU

### Hungary\*

#### First to ratify – little public debate

Hungary has been the first country to ratify the Lisbon Treaty via parliamentary ratification on the 17<sup>th</sup> of December 2007. Actually, Hungary ratified the Constitutional Treaty equally fast: it was the second member state after Lithuania. No referendum was foreseen in either case, and unfortunately there was practically no public debate about the Lisbon Treaty.

The result of the parliamentary vote on the 18<sup>th</sup> of December 2007 was: 325 “yes”, 5 “no” and 14 abstentions. The adoption of the law endorsing the new Treaty was accompanied by two further moments: the adoption of a complementary document on the protection of minority rights (in connection with the new legal base) and a piece of constitutional modification in the field of justice. Both steps

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Treaty, in *International and European Politics* /7, p. 70 (in Greek), and *Europe out of Breath*, Papazissis, Athens 2008 (in Greek). Also see the Roundtable of Greek Ambassadors, organized by the Center for Analysis and Planning of the Ministry of Foreign Affairs, published at the Center’s Bulletin (Sept. 2007), especially the paper given by Yannis Valinakis, Alternate Minister. (p. 22 ff.). From an academic point of view, see Panos Kazakos/K. Diamantakos, A first assessment of the Reform Treaty, also at the Center’s Bulletin (Dec. 2007).

\* **Institute for World Economics of the Hungarian Academy of Sciences.**

enjoyed practically the same level of support as the Lisbon Treaty itself<sup>234</sup>. All this reflects Hungary’s commitment and wide political consensus during the whole constitutional/Treaty reform process.

In Hungary the debate on the future of the EU is rather restricted to experts’ discussion, and does not make part of nation wide public debate. As a consequence, the upcoming establishment of the Committee of the Wise, proposed by President Nicolas Sarkozy, is not a well-known fact (probably also due to its early phase). The official Hungarian position in this regard is positive as can be seen from the statement below, obtained directly from the Ministry of Foreign Affairs.

“Hungary welcomes the establishment of the Reflection Group (originally ‘Committee of the Wise’) for we consider that it is important to carry on a process of common thinking on the possible future challenges facing the EU. We expect the Reflection Group to provide a well-established analysis of these future challenges and give the necessary basis for the European Council to find the appropriate solutions for them.

We regard both the mandate and the time frame, which were decided by the 2007 December European Council, as appropriate. Hungary is happy to see that the Reflection Group will also focus on the possible ways of ‘better reaching out to citizens and addressing their expectations and needs’. The exclusion of institutional matters, review of policies and of the financial framework of the mandate of the group also corresponds to the intentions of Hungary.

Hungary welcomes the selection of the chairman and the vice-chairs of the group. We will deal with the issue of other candidates in due time, as they will be selected in the second half of 2008.”<sup>235</sup>

To sum up, at the highest political level there is a broad consensus among the parliamentary parties on such EU-related issues as the ratification of Treaty reform or a new framework for discussion on the future of the EU. On the other hand, there are no real wide-ranging public discussions on these topics.

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<sup>234</sup> EUvonal (EU information service), December 18, 2007 (<http://www.eu2004.hu>).

<sup>235</sup> Information obtained from an official at the Ministry of Foreign Affairs.

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 Future of the EU
 

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## Ireland\*

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 The upcoming referendum – large majority still undecided
 

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*Timetable for ratification*

Ireland is the only member State which will hold a referendum for the purposes of ratification of the Treaty of Lisbon. This referendum will take place in May/mid-June 2008. It is likely that the legislation preparing for the referendum will be published before Easter. Following passage of this legislation, a Referendum Commission will be established to ensure that the public receive accurate and independent information on the issues connected with the referendum.

*Communication with citizens/wider public*

In the context of the referendum, the widest possible information for citizens is seen as vital by government, opposition parties, NGOs and pressure groups. Extensive publicity campaigns will be launched by all these groups once the campaign begins. Before the campaign proper, information to the public is limited and often inaccurate.

As the Irish government is constitutionally bound to hold a referendum on European Union treaties, calls have been made by various pressure groups for the publication of a consolidated text so that voters can see clearly on what they are being asked to vote.

The Institute of International and European Affairs (IIEA) has produced a consolidated version of the Treaties in both English and Irish and an annotated consolidated version of the Treaties, which will be launched by the Minister of State for European Affairs, Dick Roche, T.D. on February 14, 2008.

The Irish Department of Foreign Affairs has established a website to provide information on the Treaty. The National Forum on Europe also has a dedicated website which outlines the programme of public events and nation-wide debates which it is organising with speakers for and against the Treaty<sup>236</sup>. Private organisations on the yes and no side of the debate have also begun media campaigns, of which most information is currently being

provided almost exclusively over the Internet. Former Labour Party Leader, Ruairi Quinn, is leading the Alliance For Europe group which is advocating a yes vote. Businessman, Declan Ganley, has founded a group called Libertas, which is campaigning for a no-vote.

*Discourse on ratification*

In terms of political support for the Treaty of Lisbon, Fianna Fáil (majority party in government), the Green Party and the Progressive Democrats (the other two parties in the governing coalition) and the Fine Gael and Labour parties have all called for the ratification. Sinn Féin is the only political party with representation in the Oireachtas (Irish Parliament) that will be opposing ratification.

The Green Party/An Comhaontas Glas, which is a constituent party in government, held an internal vote on 19 January 2008 on whether or not to support the Treaty of Lisbon as a party. Although a large majority of votes cast were in favour of the Treaty – 63% – this result did not reach the two thirds majority required in order for the party to adopt an official stance. This means that members may decide to adopt their own position on the Treaty during the referendum campaign.

The Leader of the Opposition Mr. Enda Kenny (Fine Gael-EPP), while calling on the electorate to support the Treaty of Lisbon, has criticised the government over the uncertainty created by the delay in naming the date of the referendum. Mr. Kenny claimed that the lack of a voting date so far, had created a void that was being filled by “anti-European groups”.

Eamon Gilmore, Leader of the Labour Party, addressed some of the issues already being addressed by the no-side in a major speech at the Forum on Europe. In particular, he stressed that the Lisbon Treaty is not an economist's treaty but a citizen's treaty, which advances the rights of citizens in the European Union and which progresses the social agenda in Europe. He countered arguments that the treaty provides for "conscription or for Ireland being forced into wars or imperialist adventures", arguing that the treaty would pave the way for a more effective implementation of the EU's Common Foreign and Security Policy (CFSP) and a new European Security and Defence Policy. He also stressed that the key decisions on security and defence matters will continue to be taken by unanimity, while Ireland's status of military

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 \* Institute of European Affairs.

<sup>236</sup> This website is: [www.forumoneurope.com](http://www.forumoneurope.com) (last access: 25.03.2008).

neutrality is specifically protected and its domestic 'triple lock' guarantee is fully maintained.

Mary Lou Mc Donald, Sinn Fein, has announced that Sinn Fein is producing its guide to the Lisbon Treaty and was critical of a guide to the Treaty produced by the National Forum on Europe, which she argued, did not sufficiently reflect the views of the no-side.

#### *Obstacles to ratification*

#### *Information*

In terms of obstacles to ratification, the greatest fears surround uncertainty among the electorate as to what the Treaty of Lisbon actually entails. As the information campaign has yet to begin in earnest it is not surprising that two polls published in The Irish Times in late 2007 and in January 2008 show that a large majority of the electorate, uninformed about the content of the Treaty, have not yet decided how to vote.

#### *Referendum Commission*

The government is required to comply with a High Court ruling in the so-called Mc Kenna case (1995), which banned the use of State funds to promote one side in a referendum campaign.

#### *Issues*

In terms of issues, the no-side are focusing their campaign to date on issues such as the further militarisation of the EU, the creation of a common defence, the cost of defence expenditure, the threat to Irish neutrality, erosion of national control over foreign policy, the loss of the permanent EU Commissioner, and voting rights for smaller states in the Council.

The Group Libertas, which is opposed to the Treaty argues that article 48, which is interpreted as implying that the Treaty of Lisbon is self-amending and that the Irish people will no longer need to be consulted on future extensions of the remit of the EU, if the Lisbon Treaty is passed. Another grouping, the Immigration Control Platform is opposing the Lisbon Treaty because of the working in Article 18 of the Charter of Fundamental Rights which refers to a right to asylum<sup>237</sup>.

<sup>237</sup> Arguments for the no-vote are posted on the following website: [www.voteno.ie](http://www.voteno.ie) (last access: 25.03.2008).

#### *The Group of the Wise*

The European Council in December 2007 agreed the remit for the Reflection group and its initial membership. The group whose membership will be completed later this year has been asked to report at the end of 2009. The Irish government wished to ensure that the Group's remit would exclude any reopening of the Treaty of Lisbon and was satisfied with the outcome to this effect at the December European Council.

#### Future of the EU

#### Italy\*

#### After ratification – More competition among member states

Italy will seek ratification of the EU's new reform treaty by a parliamentary vote rather than through a referendum, working rapidly in order for the new treaty to be ratified and enter into force in time for the European Parliament elections of June 2009. As a matter of fact, in order to start the process leading to the ratification and implementation of the Treaty of Lisbon, a bill was approved by the Council of Ministers on December 21<sup>st</sup> 2007.<sup>238</sup> The majority of Italian political parties are expected to support the new agreement, which, being largely similar to the text of the draft Constitution, is not expected to face any major political opposition.<sup>239</sup>

#### *Discourse on the preparation of ratification*

Most of the Italian press has given emphasis to the necessity for Italy to initiate a major national debate on the innovations introduced by the Lisbon Treaty, in order to play a key role in furthering it. Within the new institutional architecture each member will count for what it can propose and for its level of credibility on the European and world scene. In fact, the possibility for a group of states to establish enhanced cooperation between themselves will make EU membership become increasingly competitive. Against this background, the Italian press questions

\* **Istituto Affari Internazionali.**

<sup>238</sup> Presidenza del Consiglio dei Ministri, "Consiglio dei Ministri n. 83", 21 December 2007, available at: [http://www.governo.it/Governo/ConsiglioMinistri/testo\\_int.asp?d=37881](http://www.governo.it/Governo/ConsiglioMinistri/testo_int.asp?d=37881) (last access: 04.03.2008).

<sup>239</sup> A. Andria e G. Pittella, "Diritti e Trattato: l'Europa si muove", Dsonline.it, 12 December 2007, available at: [http://www.dsonline.it/gw/producer/dettaglio.aspx?ID\\_DOC=44075](http://www.dsonline.it/gw/producer/dettaglio.aspx?ID_DOC=44075) (last access: 04.03.2008).



whether Italy is now prepared to cope with this far greater level of competitiveness. Should Italy continue being a country politically divided, it will inevitably end up not having the "specific weight" necessary to face the new situation with the Lisbon Treaty. Italy has until 2009 to adapt to a "competition in which every chair and every seat will have to be fought for".<sup>240</sup>

With the signing of the Lisbon Treaty profound convergences of opinion emerged among the most authoritative figures of Italian politics. The President of the Republic of Italy, Giorgio Napolitano, expressed Italy's full support to the Slovenian presidency of the EU, especially as concern the quick ratification of the Lisbon Treaty.<sup>241</sup> Deep relief could be sensed in the words of Italian Prime Minister Romano Prodi, who hopes that the ratification process will be completed by spring 2009, before the European Parliament elections. Referring to the 2005 referenda in France and the Netherlands, Romano Prodi said that "two years ago Europe faced a complete tragedy". "Since then unity has been gradually rebuilt and now we can get moving again". The Italian Premier, who was president of the European Commission from 1999 to 2004, admitted that the Lisbon Treaty was less decisive than Italy would have liked but, he said, it was "the best we could get" in these circumstances because "it allows the possibility of real progress towards a politically strong Europe in the near future".<sup>242</sup> The enthusiastic judgment on the new agreement pronounced by Italian Minister for Foreign Affairs Massimo D'Alema goes in the same direction: he expressed his wish to have the treaty approved by both houses of parliament by the end of 2008 at the latest. This, according to Massimo D'Alema, could act as a catalyst for other states that are going to seek parliamentary ratification or hold referenda. According to Umberto Ranieri, Chairman of Foreign Affairs Committee of the Lower House of the Italian Parliament, if both Italy and the EU do not succeed in moving very soon to ratify the treaty, the stalemate Brussels might face will be both inevitable and very

quick. Umberto Ranieri stressed the need for the Italian government to play an active role in promoting the many positive aspects of this treaty among the public opinion. If ratified, this treaty could represent an indispensable condition for relaunching the European project. He also said the ratification should be completed by January 1<sup>st</sup> 2009, so that the new rules can apply to the appointment of a new Commission and European Parliament elections in that year.<sup>243</sup> For the sake of the European project, another failure, after the failed ratifications of the now defunct constitutional treaty in two member states in 2005, would cause a serious political crisis. For Rocco Cangelosi, Permanent Representative of Italy to the European Union, Brussels cannot afford to experience again the same torpor it sank into on the morrow of the double French-Dutch 'No'. Rather than risking the possibility that the new document might not come into force because one of the EU's 27 member states fails to ratify it, the European Union should provide countries with a chance to opt out from the treaty itself.<sup>244</sup>

#### *Reactions to the establishment of a 'Committee of the Wise'*

With regard to the creation of a committee of wise men put forward by French President Nicolas Sarkozy in August 2007 to consider the Union's future, some press has focused on the fact that, as originally formulated, Nicolas Sarkozy's proposal was probably meant to negatively interfere with the accession process of Turkey to the EU.<sup>245</sup> Another issue raised in some newspapers concerns the mandate of the Committee. What has been stressed is that the reflection group, which is expected to present its findings in spring 2010, will deal with a range of long-term issues, but specifically will be barred from meddling with institutional reforms. Among the highly respected personalities that would be

<sup>240</sup> F. Venturini, "Corsa ad ostacoli", Il Corriere della Sera, 14 December 2007, available at: [http://www.corriere.it/esteri/07\\_dicembre\\_14/europa\\_italia\\_f06f9b36-aa18-11dc-abc2-0003ba99c53b.shtml](http://www.corriere.it/esteri/07_dicembre_14/europa_italia_f06f9b36-aa18-11dc-abc2-0003ba99c53b.shtml) (last access: 04.03.2008).

<sup>241</sup> See website of the Slovenian EU Presidency: <http://www.eu2008.si/en/> (last access: 04.03.2008).

<sup>242</sup> Ansa, "UE:Trattato, Prodi: Finiti gli anni dell'incertezza", 13 December 2007, available at: [http://www.ansa.it/europa/lacostituzione/20071213211734\\_536747.html](http://www.ansa.it/europa/lacostituzione/20071213211734_536747.html) (last access: 04.03.2008).

<sup>243</sup> U. Ranieri, "L'Italia e il rilancio dell'integrazione Europea", Federalismi.it, 16 January 2008, available at: <http://www.federalismi.it/federalismi/document/15012008100857.pdf?content=L'Italia%20e%20il%20rilancio%20dell'integrazione%20europea%20-%20unione%20europea%20-%20dottrina%20> (last access: 04.03.2008).

<sup>244</sup> Ansa, "UE: Trattato, Cangelosi: Problemi ratifiche? C'è la clausola uscita", 12 December 2007, available at: [http://www.ansa.it/europa/lacostituzione/20071212134034\\_534374.html](http://www.ansa.it/europa/lacostituzione/20071212134034_534374.html) (last access: 04.03.2008).

<sup>245</sup> M. Zatterin, "Serbia più vicina all'Unione", La Stampa, 14 December 2007, available at: [http://www.lastampa.it/web/cmstp/tmplrubriche/giornalisti/grubrica.asp?ID\\_blog=113&ID\\_articolo=225&ID\\_sezione=242&sezione=](http://www.lastampa.it/web/cmstp/tmplrubriche/giornalisti/grubrica.asp?ID_blog=113&ID_articolo=225&ID_sezione=242&sezione=) (last access: 04.03.2008).

mandated to address the future of the European Union until the year 2030, Alessandro Profumo, CEO of the Unicredit Group, Italy's major banking group, and Giuliano Amato, Italian politician who was Vice President of the Convention on the Future of Europe, have been mentioned as possible Italian candidates for the group.<sup>246</sup>

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#### Future of the EU

### Latvia\*

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#### Ratification process should be completed in spring 2008

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The about-to-be replaced government of Prime Minister Aigars Kalvitis reacted quickly to the news of the signing of the Lisbon Treaty and decided on 11 December 2007 to begin the process leading to the treaty's ratification. On 19 February 2008 the Cabinet of Prime Minister Ivars Godmanis voted unanimously to forward to the parliament the draft law on the ratification of the Lisbon Treaty and recommended that the lawmakers act speedily. Since there is neither a widespread nor a vocal opposition to the treaty in Latvia, the ratification process should be completed in spring 2008. As was already shown by Latvia's endorsement of the Constitutional Treaty through a favourable vote of the parliament on 2 June 2005, the ratification process of the Lisbon Treaty will be equally straightforward and will not depend on a referendum.

Public discussion in anticipation of the Lisbon Treaty began in autumn 2007 with informative programs and talks organised by the Ministry of Foreign Affairs, the European Movement of Latvia, and the European Commission's Representation in Latvia. These institutions have provided also printed materials and information that is available electronically. Nonetheless, domestic political developments and the hardships caused by rampant inflation were of more immediate concern. What is more, the timing of the endorsement of the Lisbon Treaty was also not conducive for attracting public attention because of the approaching Christmas and New Year's holidays. Some discussions and conferences have been organised subsequently, but they

<sup>246</sup> "Vertice Ue: Felipe Gonzales presidente gruppo riflessione su Europa", *Il Sole 24 Ore*, 14 December 2007, available at: [http://europanotizie.ilsole24ore.com/EuropaNotizie/Notizie/Politica\\_Europea/2007/12/14/POL\\_U\\_E\\_2306967\\_20071214.jsp](http://europanotizie.ilsole24ore.com/EuropaNotizie/Notizie/Politica_Europea/2007/12/14/POL_U_E_2306967_20071214.jsp) (last access: 04.03.2008).

\* [Latvian Institute of International Affairs](#).

have focused on and attracted persons already interested in or dealing professionally with EU affairs. The most widely publicized conference took place on 15 February 2008 at the University of Latvia with EU Commission President Barroso addressing the audience, which consisted of specially invited guests and students. Consequently, the wider audience in Latvia missed out on the discussions that were taking place. Consequently, more public discussions are being scheduled before the parliament ratifies the Treaty.<sup>247</sup>

As for the Committee of the Wise, Latvia is proud that its former president, Professor Vaira Vike-Freiberga, is one of its deputy co-chairpersons. Beyond that, most Latvians have only a very vague idea what that committee will be doing. Of much greater concern among the general public are the promised, very substantial price hikes for gas and electricity.

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#### Future of the EU

### Lithuania\*

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#### Timely ratification – wide public information campaign

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*The ratification of the Lisbon treaty in the Lithuanian Parliament is planned for the spring*

On November 11, 2004 Lithuania was the first EU member state to ratify the Treaty establishing a Constitution for Europe, which has now been replaced by the Lisbon treaty. Such a "rush" to ratify a new treaty was justified by many factors, but it was also criticized because at the time of ratification of the Constitution for Europe Lithuanian society was not well informed about this document. Therefore based on this experience Lithuania is not rushing to ratify the Lisbon treaty. The treaty will be ratified in the Parliament and there should be no problems for the ratification of this treaty. As the Lithuanian Foreign Affairs

<sup>247</sup> Latvian News Agency LETA dispatches of 15 and 19 February 2008 and *Latvijas Vestnesis*, and the Latvian government decree No. 781 of 6 December 2007, which was published in *Latvijas Vestnesis* on 11 December 2007. Latvia's Ministry of Foreign Affairs, available at: <http://www.mfa.gov.lv/lv/eu/> (last access: 18.03.2008) and European Union Information Agency, available at: <http://www.esia.gov.lv/> (last access: 18.03.2008), the European Movement in Latvia, available at: <http://www.eiropaskustiba.lv/> (last access: 18.03.2008), and the European Commission's Representation, available at: [www.eiropainfo.lv](http://www.eiropainfo.lv/) (last access: 18.03.2008).

\* [Institute of International Relations and Political Science, Vilnius University](#).



Minister Petras Vaitiekūnas said “the treaty will have to be ratified in the Seimas (Lithuanian Parliament) and I suppose it will be successfully done”<sup>248</sup>.

As the Chairman of the Committee on European Affairs of the Lithuanian Parliament Andrius Kubilius informed, the Parliament could begin the Lisbon treaty ratification procedures when the new parliament session will start (the new sessions starts on March 10) and could finalize them in the beginning of May 2008. On the 1st of May Lithuania will celebrate the 4th anniversary of its membership in the European Union and the 9th of May is Europe’s day. Therefore, according to the Chairman, it would be meaningful to relate the date of the Lisbon treaty ratification with these dates<sup>249</sup>.

*A wide public information campaign is prepared to inform the Lithuanian society about the Lisbon treaty*

Before the ratification of the Lisbon treaty Lithuania is eager to arrange a wide public information campaign about the Lisbon treaty.

After signing of the Lisbon treaty the Committee on European Affairs of the Lithuanian Parliament expressed a wish that Lithuanian society would be actively informed about this document. During the meeting of the Committee it was agreed that the campaign should include not only the presentation of the provisions of the Lisbon treaty, but also a discussion on the future and boundaries of the EU and about the place of Lithuania in the EU<sup>250</sup>. The Lithuanian Foreign Affairs Minister Petras Vaitiekūnas also claimed that we have to use the Lisbon treaty ratification process for the wider discussions in the Parliament and

with the society about the European Union and Lithuania’s European policy priorities<sup>251</sup>.

In the end of 2007 the Ministry of Foreign Affairs, Lithuanian Parliament, European Commission Representation to Lithuanian, European Parliament information office, NGOs and other organizations prepared a common strategy dedicated to inform the Lithuanian society about the Lisbon treaty. Before the preparation of the strategy a public opinion poll was conducted which demonstrated that 73 % of the respondents have not yet heard about the new EU document and 27 % of the Lithuanian inhabitants have heard about this treaty. 51 % of the respondents who have heard about the Lisbon treaty declared that they do not have enough information about this documents and 46 % claimed that they would like to learn more about the new treaty<sup>252</sup>. The information strategy includes different means aimed at explaining the society the content, the novelties of the treaty and the possible impact of the treaty to Lithuania.

*What are the reactions to the establishment of a ‘Committee of the Wise’?*

The establishment of the Committee of the Wise does not attract a lot of attention in Lithuania. There were only a few public comments by the Lithuanian officials made on the establishment of the committee before the decisions of the December European Council were made.

## Future of the EU

### Luxembourg\*

#### Juncker first ‘President of Europe’?

Luxembourg’s Minister of Foreign Affairs Jean Asselborn affirmed already in November 2007, even before signing the Lisbon Treaty: “In Luxembourg, the parliamentary ratification is to

<sup>248</sup> UR ministras tikisi, kad Lietuvos parlamentas ratifikuos ES Reformų sutartį (Foreign Affairs Minister hopes that Lithuanian Parliament will ratify the EU reform treaty), news agency Baltic News Service, December 12, 2007, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2238/>.

<sup>249</sup> Seime diskutuojama apie naująją Europos Sąjungos Lisabonos sutartį (The discussion on the new Lisbon treaty is held in the Seimas), press release of the Committee on European Affairs of Lithuanian Parliament, January 17, 2008, <http://www3.lrs.lt/docs2/XARKREHD.DOC>.

<sup>250</sup> Europos reikalų komitetas siūlo surengti plačią informacinę kampaniją apie ES reformų sutartį (Committee on European Affairs suggests to have a wide information campaign on the EU reform treaty), press release of the Committee on European Affairs of Lithuanian Parliament, October 24, 2007, <http://www3.lrs.lt/docs2/JWTXAZZU.DOC>.

<sup>251</sup> Užsienio reikalų ministras su Europos Parlamento atstovu aptarė Lisabonos sutarties įgyvendinimą (Foreign Affairs Minister has discussed about the implementation of the Lisbon treaty with the representative of the European Parliament), press release of the Ministry of Foreign Affairs, January 17, 2008, <http://www.urm.lt/index.php?-1966096517>.

<sup>252</sup> Lisabonos sutarties viešinimui - speciali strategija (A special strategy to publicize the Lisbon treaty), news agency Baltic News Service, December 11, 2007, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2217/>.

\* Centre d’Etudes et de Recherches Européennes Robert Schuman.

due to take place in first half of 2008<sup>253</sup>. Since all was said in the 2005 referendum campaign, no 'nay' votes other than those of the small Populist Party ADR (10% of the electorate) are expected. There is no intense public debate taking place at this moment on the ratification and the implementation of the Lisbon Treaty.

The Luxembourg Parliament (*Chambre des députés*) organizes forums and discussions with political and social organisations, youth groups and students on the contents of the Lisbon Treaty<sup>254</sup>, although there are very few debates compared to the many that were organized before the referendum. Detractors of the Lisbon Treaty and adepts of a no-vote in the July 2005 referendum are trying to find a broader consensus after controversial discussions. They denounce these hearings as a mere propaganda show since European leaders wish the treaty to be ratified as quickly as possible<sup>255</sup>.

In a declaration in the Luxembourg Parliament, Prime Minister Juncker behaved in a very cautious manner when he affirmed that the "ratification process will be no easy job with 27 parliaments. This treaty needs strong support, and good lawyers which must be accepted by the 27 member countries. If this treaty is not approved, I can't foresee the outcome (of the European unification process)"<sup>256</sup>. The liberal newspaper *Letzebuenger Journal* is much more optimistic as to the ratification of the new Lisbon Treaty<sup>257</sup>. No referendums are planned in such difficult countries as France, the Netherlands or even Denmark. A really fast ratification process seems to take place in many member states. Hungary already ratified in December 2007.

The question a larger public in Luxembourg feels concerned with is not whether to approve or disapprove the Lisbon Treaty, but what Luxembourg citizens want to know is if all other countries will approve the treaty before January 1<sup>st</sup> 2009. If this is the case, they wonder who will be the first "President of Europe" because that is how the chairman of

the European Council will be called by the rest of the world<sup>258</sup>. Could his name be Jean-Claude Juncker?<sup>259</sup> He has so far avoided answering the question of whether he is interested in taking the post or not. But in a recent interview on a Luxembourg language TV station he did no longer exclude the possibility of accepting the job if an overall majority of his European counterparts proposed him to run<sup>260</sup>. In this case another important question arises: if the most popular Luxembourg politician is appointed to this prestigious office, who will be his successor as future Luxembourg Prime Minister?<sup>261</sup>

#### *State of discourse on the preparation of ratification*

The people of Luxembourg accepted the European Constitution Treaty in a referendum on July 10<sup>th</sup> 2005 after the French and the Dutch had already refused it. The referendum campaign was not an easy one, even though all political parties in Luxembourg called for a "Yes" vote, except the populist ADR and the two tiny communist parties (all in all, 3% of the electorate). Only the Prime Minister's personal intervention in the campaign finally guaranteed a "Yes" victory. The "No" votes (46%), however, exceeded by far the number of votes the communist (2%) and populist (10%) parties usually get in general elections.

The Spanish people had also previously accepted the treaty via referendum. Twenty other European Union member states had ratified the constitution treaty on a parliamentary base. Some governments refused to proceed to ratification, whereas France and the Netherlands seemed to be in a deadlock situation. Luxembourg, for a long time, supported an implementation of the constitution treaty, but after the German presidency's breakthrough, it accepted the newly proposed so-called "simplified treaty". The conservative newspaper *Luxemburger Wort* points out that the new treaty is in fact very close to the already approved constitution treaty: "This largely satisfies the countries who have already ratified"<sup>262</sup>. Jean-Claude Juncker comes to the point: "The new treaty is good for

<sup>253</sup> Jean Asselborn: «Déclaration de politique étrangère 2007», Service information et presse, 14.11.2007.

<sup>254</sup> See: <http://www.europaforum.public.lu> (last access: 04.03.2008).

<sup>255</sup> Attac Luxembourg, Sokrates.lu, Union nationale des étudiant-e-s du Luxembourg: «Traité de Lisbonne: les peuples d'Europe méritent autre chose!», 3.1.2008.

<sup>256</sup> Jean-Claude Juncker: «Discours», Transcription de l'intervention à l'occasion de l'heure d'actualité au sujet du traité réformateur, chambre des députés, 25.10.2007.

<sup>257</sup> Hartmut Hausmann: «Europa kommt voran», *Letzebuenger Journal*, 13.12.2007.

<sup>258</sup> Stephen Evans: «Bricklaying» quoting Jean-Claude Juncker, *Business review*, December 2007.

<sup>259</sup> Alvin Sold: «Die Juncker-Frage», *Tageblatt*, 22.12.2007.

<sup>260</sup> RTL TELE LETZEBUERG Spezial.

<sup>261</sup> Alvin Sold: «Die Juncker-Frage», *Tageblatt*, 22.12.2007.

<sup>262</sup> Gerd Werle: «Déjà vu», *Luxemburger Wort*, 13.12.2007.

Luxembourg and it is a good treaty for the European Union. Luxembourg has got what it voted for on July 10<sup>th</sup> 2005. The essential issues of the constitution treaty have been preserved.”<sup>263</sup>

The “Alliance for a No“ proclaims that “the (Lisbon) Treaty is nearly a ‘copy-paste’ of the constitution disapproved by French and Dutch citizens (...) The European institutions remain a mockery of democracy. A total liberalization of the economy and a growing militarization of the society are the side effects of this treaty. Critics of the European Central Bank’s policy are simply ignored. The ‘supposed value of a European religious heritage’ is declared as being a fundamental value; an assertion which must hurt laic (antireligious) citizens.”<sup>264</sup> The Communist party’s newspaper calls for a new referendum, a demand immediately rejected by Jean-Claude Juncker. This refusal gives the communist editorialist the opportunity to comment on the so-called “Juncker’s lie”: “(Our) French and Dutch neighbours are told the exact opposite (than the Luxembourg people). (Juncker said that) since the reasons of their disapproval have been removed, no new referendum is necessary”<sup>265</sup>.

The *Tageblatt*, a paper reflecting the views of the Socialist worker’s party (part of the ruling government coalition), explains why a new referendum is not necessary: “A new referendum could not bring Europe one step further”<sup>266</sup>. The editorialist wonders if the most virulent protagonists of a referendum, especially those in the UK, would really be interested in a forthcoming European integration.

A referendum in France would again turn into a campaign to approve or disapprove the incumbent government’s policy. The editorialist supports former socialist Minister Goebbels’ position on Britain’s European policy. In a *Tageblatt* interview the MEP Robert Goebbels suggested offering a “privileged partnership” instead of a full membership to the United Kingdom. The new Treaty at last offers this possibility: “Great-Britain could be the first

country to profit from this new opportunity”<sup>267</sup>. Former French President Valéry Giscard d’Estaing, chairman of the European convention, has recently declared “that any country that fails to ratify the Lisbon Treaty should seek a special status within the EU or leave. Only Britain faces this possibility, he added to avoid possible doubts.”<sup>268</sup>

#### *Reactions to the establishment of a ‘Committee of the Wise’*

The French President’s proposal for a high-level “wise men’s committee” to study the European Union’s long-term future has been ‘diluted’ by other EU countries, wary that France wants to set precise limits to the bloc’s enlargement and exclude Turkey, as the candidate Nicolas Sarkozy promised. The panel’s mandate will cover neither the EU’s future geographical borders, nor possible reforms to the bloc’s institutions, nor its budgetary policies<sup>269</sup>. The socialist paper *Tageblatt* hails Germany’s and Austria’s foreign ministers’ determination to stop Sarkozy’s plan. The Luxembourg liberal party’s newspaper *Letzebuurger Journal* even sees a personal defeat for Nicolas Sarkozy in EU decisions concerning the French initiative<sup>270</sup>. The conservative *Luxemburger Wort* is very sceptical too and underscores Chancellor Merkel’s opposition to a “Council of the Wise”, as it was proposed by the French President. The *Luxemburger Wort* correspondent in Brussels simply calls Sarkozy’s ideas “*Gedankenspiele*”<sup>271</sup> (literally thoughts’ plays). Generally speaking, a small country like Luxembourg cannot afford to blame France by openly dismissing President’s Sarkozy’s plans. But – undercover – Luxembourg’s government dislikes the proposal because it might put another brake on the Lisbon Treaty ratification train. Jean-Claude Juncker expresses these fears openly: “(The discussion around the mandate of the reflexion group) might bring the governments in some countries under pressure to organize a referendum”<sup>272</sup>. A discussion on Turkish membership could harm the ratification

<sup>263</sup> «Sommet de Lisbonne: accord sur le nouveau traité européen», Service information et presse, 18.10.2007.

<sup>264</sup> Attac Luxembourg, Sokrates.lu, Union nationale des étudiant-e-s du Luxembourg: «Traité de Lisbonne: les peuples d’Europe méritent autre chose!», 3.1.2008.

<sup>265</sup> Uli Brockmeyer: «Hinter verschlossenen Türen», Zeitung vum letzebuurger Vollek, 6.10.2007.

<sup>266</sup> Guy Kemp: «Vertrag ohne Referendum», *Tageblatt*, 13.12.2007.

<sup>267</sup> Ibid.

<sup>268</sup> Charlemagne: «The in and the out club», *The Economist*, 26.1.-1.2.2008.

<sup>269</sup> «EU reins in Sarkozy ‘wise men’ plan», *Financial Times*, 5.12.2007.

<sup>270</sup> «Felipe Gonzalez soll die Reflexionsgruppe leiten. Niederlage für Nicolas Sarkozy», *Letzebuurger Journal*, 15.12.2007.

<sup>271</sup> Jakob Abamowicz: «Gedankenspiel über das Jahr 2030», *Luxemburger Wort*, 15.12.2007.

<sup>272</sup> Ibid.

process<sup>273</sup>. Nicolas Schmit, socialist Minister of European Affairs, was pleased that the mandate of the reflexion group was scaled down<sup>274</sup>. On this point, Luxembourg is in good company. Lithuania and other Nordic countries are pleased that questions of enlargement, institutional matters and EU budget have been removed from the reflection group's mandate. Luxembourg Foreign Minister Jean Asselborn, who defends the same political ideas as Felipe Gonzales, approves the former Spanish Prime minister's nomination as chairman of the reflection group and points out that the Gonzalez' position on Turkey is not the same as Sarkozy's: "Gonzales is in no way against a possible Turkish EU membership"<sup>275</sup>. In fact, the mandate of the reflection is still very broadly based as the liberal *Letzebuenger Journal* knows. It is supposed to reflect on any subject including the European social model, sustainable development even geo-strategic questions might be considered<sup>276</sup>.

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#### Future of the EU

#### Malta\*

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#### No obstacles envisaged to ratification

The timetable for ratification is regarded as realistic – both the government and opposition in the Parliament of Malta already voted in favour of the previous reform (constitutional) treaty in 2006.

The citizens of Malta and Gozo are very well informed of the basic parameters of the reform treaty. This is the result of the previous public relations campaign run by the government and the EU Commission representative in Malta.

The main debate concerning the European Union in Malta towards the end of 2007 has been on the introduction of the EURO on January 1<sup>st</sup> 2008. While most sectors favour the introduction of the single currency, fears of a rise inflation have also been widespread. The main reference to the reform treaty by the media and by both main political parties, the Nationalist Party in government and the Labour

<sup>273</sup> Hartmut Hausmann: «Europa kommt voran», *Letzebuenger Journal*, 13.12.2007.

<sup>274</sup> Jakub Abamowicz: «Gedankenspiel über das Jahr 2030», *Luxemburger Wort*, 15.12.2007.

<sup>275</sup> *Ibid.*

<sup>276</sup> «Felipe Gonzalez soll die Reflexionsgruppe leiten. Niederlage für Nicolas Sarkozy», *Letzebuenger Journal*, 15.12.2007.

\* Mediterranean Academy of Diplomatic Studies, University of Malta.

Party in opposition, has been the positive development of Malta gaining a sixth seat in the European Parliament.

There are no obstacles envisaged to ratification of the reform treaty with a consensus existing at a political level and no debate whatsoever of the possibility of a EU referendum. With a general election due to take place in the first half of 2008, probably in the first quarter of 2008, local issues have been dominating most of the political debate in Malta.

The debate on the decision to establish a 'Committee of Wise Men' has not been widely reported in Malta and thus has not generated any significant debate in the media or among the people.

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#### Future of the EU

#### Netherlands\*

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#### Parliamentary ratification only

The EU strategy of the new Cabinet Balkenende-IV had to reconcile two seemingly contradictory objectives. First: to avoid the prospect of a second referendum on a new treaty and, thereby, potential isolation in the EU. Second: the need to address the gap between politics and electorate as regards the EU, which had emerged after the 2005 referendum. The above led the government to take a somewhat hybrid position in the treaty negotiations, focusing on the delivery of 'safeguards' against unwelcome EU influence.

During the negotiations, the Dutch government had emphasised the need for a stronger role for national parliaments in EU policy making, as well as a clear division of competences between the EU and the member states, obviously with the aim to demonstrate the competences of the latter. But the core argument in the treaty debates, as defended publicly 'at home' and in national parliament, were the alleged *constitutional aspirations* of the new treaty. Removing all constitutional references and state-like symbols (the EU's flag, its anthem and the use of notions such as 'minister' and 'EU law') from the treaty, it was argued, would do justice to the concerns of the citizens as expressed in their rejection of the Constitutional Treaty. After the negotiations,

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\* Netherlands Institute of International Relations 'Clingendael'.

the government could therefore herald the results and advocate the new treaty for doing right to many of these concerns. By effectively playing out its position as 'demandeur' during the negotiations, the government was able to present the Lisbon Treaty at home as fundamentally different from the 2004 Constitutional Treaty draft.

In September, a key report by the advisory Council of State ruled out the legal need for a referendum, since the new treaty was judged not to include "constitutional" elements. Sceptical opposition parties in parliament judged the changes as cosmetic, but when the Labour (PvdA) faction unexpectedly came out in favour of parliamentary ratification, the referendum issue could be effectively buried. This political manoeuvring led to critical reactions and debates in the media, but did not result in political damage for the coalition. The current timetable is to have parliamentary debates on the treaty around summer, so that formal ratification by both the Second and the First Chamber can take place in the fall. Parallel to this political process, the government will unfold its new EU communication strategy, which was issued in December. In the coming years, public debates, publicity campaigns, podcasts and structural attention for the EU in educational programmes will be actively facilitated and supported by the government, with the aim of enhancing public debate and knowledge of the EU in the Netherlands.

The installation of the Committee of the Wise at the European Council summit in December 2007 did not initiate much public or political discussion. Foreign Minister Verhagen stressed that the debate on the future of the EU should not be narrowed down to a selected group of 'wise',<sup>277</sup> whilst the odd critical reaction focused on the potential influence of this scenario exercise on the ongoing enlargement negotiations with Turkey.<sup>278</sup>

<sup>277</sup> Speech by Foreign Minister Verhagen, 'The future of the EU', Leiden, 29 November 2007.

<sup>278</sup> See interview 'Wijzen "met geheime agenda" denken na over toekomst EU' with Dutch MEP Wiersma, in: *de Volkskrant*, 13 December 2007.

## Poland\*

### Opt-out from the Charter of Fundamental Rights raised some discussions

The last elections eliminated the eurosceptic and populist parties (League of Polish Families and Self-Defence) from the Polish Parliament. Only four parties reached the required 5% threshold and managed to send their deputies to the new Parliament. All four of them support the Lisbon Treaty in the current form (with the Polish opt-out from the Charter of Fundamental Rights). The new governing coalition partners the Civic Platform (which received 42% of the votes in the October 2007 elections) and the Peasants Party (9%) support the swift ratification of the new treaty. At the outset the government has even proclaimed that it would be good if Poland could ratify the treaty as the first member state. Such stance was met with support from the social-democrats (13% of the votes) who always supported the treaty, and were against the tough negotiating stance on the issue of the previous Law and Justice government (it should be reminded that the previous government's position on the distribution of votes was supported by the Civic Platform). The Law and Justice (32%) which negotiated the treaty supports it, provided that the opt-out from the Charter is upheld. On the 20th December 2007 a resolution supporting swift ratification process was supported by the majority in the Parliament (248 votes for), however most of the deputies from Law and Justice (142) voted against because of the new government's intention to withdraw the opt-out from the Charter of Fundamental Rights, which was signalled in the resolution. The ministry of foreign affairs announced that it should prepare all of the ratification documents for the beginning of February 2008, which would allow the Parliament to vote on it on the same month.

The public opinion is overwhelmingly pro-European (89%) and the majority support all the moves aimed at deepened integration (85%), 55% majority supports deepened political integration<sup>279</sup>. The majority supports the entry of the new treaty into force, although almost 40% do not have an opinion on it and do not feel well informed. The new government (the deputy minister of foreign affairs Jan Borkowski) announced that it will conduct the

\* Foundation for European Studies, European Institute.

<sup>279</sup> See:

[http://www.cbos.pl/SPISKOM.POL/2007/K\\_099\\_07.PDF](http://www.cbos.pl/SPISKOM.POL/2007/K_099_07.PDF).



information campaign but so far not much has happened.

#### *State of discourse on the preparation of ratification*

There is an agreement between the major political forces that the ratification should take place in the Parliament. The majority will vote for the treaty. There were some voices (from the League of Polish Families and the most conservative members of Law and Justice) to organise a referendum but they were largely ignored. The opt-out from the Charter of Fundamental Rights seems to be the only problem which concerns the ratification of the Lisbon Treaty. Initially the new government wanted to withdraw the Polish opt-out. Civic Platform believes that the guarantees contained within the Charter itself (especially those contained in article 51, which states that the charter does not extend the field of application of Union law beyond the powers of the Union) are sufficient. They make it impossible to extend the EU law to cover issues such as abortion or euthanasia (which is the argument used to justify the opt-out by Law and Justice). The government sees the opt-out as redundant, however, in the face of strong opposition from Law and Justice and the Catholic Church for the sake of smooth ratification, the Prime Minister Donald Tusk decided to uphold it for the time being. Such reasoning was strengthened by the realisation that it is not so easy to withdraw the opt-out and the opening of the issue could tempt other member states to tinker with the approved treaty, which the Polish government wants to avoid at all costs. It seems that the conservative opposition was placated by such decision. The President Lech Kaczyński (Law and Justice) during his meeting with the diplomats accredited in Warsaw on the 16<sup>th</sup> of January 2008 confirmed that Poland will not become an obstacle in the process of the ratification of the new treaty.

#### *Reactions to the establishment of a 'Committee of the Wise'*

There has been almost no discussion in Poland concerning the Committee of the Wise. The new government hopes, however, that it will not serve as a pretext to create new obstacles to further enlargement (such fear is evoked by the statements of President Sarkozy who claims that the committee's principal work should be focused on discussing the geographical limits of the EU). Not much has

been said about the mandate of the group within the EU itself. At first it seemed that it would be restricted, but the recent announcements (especially in the January Financial Times interview) of the former Prime Minister of Spain Felipe Gonzales, who is tipped to become the chair of the group seem to indicate that it will focus on a quite broad socio-economic agenda. If such was to be the case, Poland would definitely support all the moves aimed at improving the EU competitiveness by liberalizing the EU economy even further and oppose any attempts to undermine the current EU redistributive policies.

Lech Wałęsa was mentioned by the representatives of the Civic Platform as a suitable candidate for the Committee.

#### Future of the EU

#### Portugal\*

#### Decision for parliamentary ratification proved controversial

The decision to ratify the Lisbon Treaty in Parliament and not through a referendum was announced by the Socialist Prime Minister, José Sócrates, in the beginning of January 2008. The delay in the announcement had been justified by the desire to avoid doing so during the Portuguese Presidency.

Parliamentary ratification still does not have a set date. The process is likely, however, to be completed by the end of April, after the presentation, planned for 16 April 2008, of a report by the Parliament Commission on European Affairs, which is supposed to include the results of public sessions of MPs in a number of cities.

The decision to ratify the Lisbon Treaty in Parliament proved controversial. One of the main arguments of those who argued for a referendum to the Treaty was that it would allow a broad debate in the Portuguese society about European integration process. No international treaty could be subject to a referendum until June 2005, when a constitutional ban to that effect was removed. Moreover, the referendum itself is a relatively recent innovation in post-1975 Portuguese democracy. Therefore Portuguese EU membership was never subject to a referendum. This contributed to increase

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\* Institute for Strategic and International Studies.



expectations in some sectors of public opinion, especially those more critical of the process of European integration. In terms of relevant parties this line in favour of a referendum was taken by the communists (PCP), the leftists (Bloco de Esquerda) and the right-wing CDS-Partido Popular.<sup>280</sup> One of their key arguments was that the ruling Socialists had won power on an electoral manifesto that committed them to ratifying the Constitutional Treaty by referendum, in line with many other member states, so as to reinforce the democratic legitimacy of the European project.<sup>281</sup>

The Socialists have replied that there is no longer a Constitutional Treaty. More importantly, the priority should be to move on with a much needed EU institutional reform in Europe. This vital priority would be at risk if there were a number of referenda across Europe.

Very importantly, the new leader of the main opposition party, the centre-right PSD, reversed the previous position of the party, and also defended parliamentary ratification with very similar arguments. This, and above all the fact that Portugal's President, Aníbal Cavaco Silva – who has the power to dismiss the government and has to approve any referendum – also indicated that he did not believe one was necessary made it much easier for the Portuguese government not to call a referendum.<sup>282</sup>

**Table 1: Official Positions among the political parties with members on the Parliament**

Party	Leftists (BE)	Communist Party (PCP)	Socialist Party (PS)	Social Democrat Party (PSD)	Christian Democrats (CDS-PP)
<b>Form of ratification</b>					
<b>Parliament</b>			X	X	
<b>Referendum</b>	X	X			X

<sup>280</sup> s.n., Lusa Press Release (20.12.2007).

<sup>281</sup> Government Programme 2005-2009, p. 152, available at: <http://www.portugal.gov.pt/NR/rdonlyres/631A5B3F-5470-4AD7-AE0F-D8324A3AF401/0/ProgramaGovernoXVII.pdf>.

<sup>282</sup> Luís Filipe Menezes [interview by João Marcelino and José Fragoso], *Diário de Notícias* (21.10.2007).

There is no reason to believe this decision was motivated by fear of a popular rejection of the new Treaty, because all the polls seem to vindicate the view that the EU remains positive, the economic crisis notwithstanding. Even the Catholic Church dropped its initial reservations to the Treaty – due to the absence of an explicit reference to the Christian heritage.<sup>283</sup> Fear of a potential domino effect across Europe paralysing much-needed reform seems to have been the prevailing concern.

There is no appreciable public impact or any salient reaction so far to the work of the committee of the wise.

#### Future of the EU

### Romania\*

#### Fourth member state having ratified the Lisbon Treaty

The beginning of the period of the Lisbon Treaty ratification, after its signature in December 2007, has been a new opportunity for Romanian President Traian Băsescu, as well as for the Prime Minister, Călin Popescu Tăriceanu, to restate the importance of Romania's participation – for the first time as a fully-fledged Member State – to the signature of a Treaty that is crucial for the future of an institutional architecture shaped according to the EU's current formula of 27 Member States. According to the statements made by the Prime Minister, Călin Popescu Tăriceanu, at the closing of the European Council's session in Brussels<sup>284</sup>, "the formal closure of the debates regarding institutional matters, alongside with the conclusion of this Treaty, mark a new stage, that allows us to highlight specific projects that address the European Union's citizens. This is the so-called *Europe of Results* stage (...). It is very important to move forward to the next level, which is to ratify the Reform Treaty".

#### *Timetable for ratification*

In what concerns the ratification's timetable, the Romanian officials have expressed, from the very beginning, their intention to speed up the necessary procedures for the

parliamentary ratification of the Lisbon Treaty, so that Romania could be among the first Member States to ratify the document<sup>285</sup>. The joint Committees for Legal Affairs within the Romanian Chamber of Deputies and Senate have promptly adopted their report on the Treaty.

On February 4<sup>th</sup>, 2008, when the French President Nicolas Sarkozy delivered a speech during the plenary of the Romanian Parliament, increasing thus through his presence to Bucharest the visibility of the ratification moment, the Romanian members of the Senate, as well as of the Chamber of Deputies have been summoned to debate the report on the Lisbon Treaty and to rule by means of a ratification decision. Therefore, the Lisbon Treaty was ratified with 387 votes in favour, one against and one abstention, Romania being the fourth country to ratify the Treaty. The vote against belongs to small eurosceptic party and the abstention to a Conservative member of the Romanian Parliament.

#### *Communicating the Lisbon Treaty*

The exigencies related to the popularization plans for the Lisbon Treaty at the level of the Romanian public opinion, carried out through debates concerning its importance and innovating dimension, do not aim mainly at the objectives of a classic ratification campaign as the Treaty is already ratified. The expectations regarding the lack of "challenges" or major obstacles during the ratification process in Romania have led to the insertion of the Treaty's topic on the public agenda in a field of post-ratification exclusively information debates, focusing on the consequences of the new treaty's provisions on the future of the Union, but also on Romania's future as one of its Member States. For instance, "Romania's place and role within the European Union after the Lisbon Treaty"<sup>286</sup> or "The Reform Treaty of

<sup>283</sup> Leonete Botelho, 'Igreja deixa de ter reservas ao Tratado Reformador', *Público* (11.12.2007).

\* [European Institute of Romania](#).

<sup>284</sup> The Press Office of the Romanian Government, 14 of December 2007.

<sup>285</sup> "As I have previously stated, I wish Romania would be one of the first states to ratify the Reform Treaty, whose text does not include major changes as compared to the Constitutional Treaty, that has already been ratified by our country", Tăriceanu stated.

<sup>286</sup> Conference organized on January 30<sup>th</sup>, 2008, by the G. C. Marshall Association, Romania, G. C. Marshall European Centre for Security Studies and the Embassy of the Federal Republic of Germany in Bucharest, with the participation of the president of the Foreign Policy Committee within the Romanian Parliament, Mr. Mircea Geoană (Social-Democrats leader, the main opposition party in Romania) and of Mr. Gunther Krichbaum,

the European Union: its impact on the European construction"<sup>287</sup> are the themes of two public events taking place during a period of time that coincides with the Treaty's ratification procedures. Also, at the academic level, the interest for this topic proved to be high. In October 2007, a Jean Monnet seminar<sup>288</sup> organized by the Babeş-Bolyai University in Cluj-Napoca, included a workshop-session entirely dedicated to the topic "The European Union's future. The Reform Treaty". The workshop dealt with aspects related to the evolution of the institutional and constitutional reforms of the Union over the last years, a comparative analysis of the key elements of the Reform Treaty and of the Constitutional Treaty from the perspective of missing the initial constitutional ambitions, or with the scenarios of a flexible integration process of the EU, as possible solutions meant to deepening the Union's policies.

Still in an academic environment, the Romanian President Traian Băsescu delivered a speech on "The Lisbon Treaty. New horizons"<sup>289</sup>. His intervention was centred on what the president identified as "the desiderata around which the provisions of the Reform Treaty develop: a more democratic and transparent, a more efficient EU, the enshrinement of a set of rights, values and principles on which the Union is based and the more visible and influential EU's role on the global stage".

There are enough indications according to which the topic of the Lisbon Treaty will not be considered as an occasional subject on the agenda of the public debates scheduled for this year in Romania. There is quite a high interest in analyzing the impact of the Treaty's provisions on the evolutions at European level, as well as on Romania's position in relation to these developments. The main institutions that have already made public their intentions to engage, in 2008, debates regarding the Lisbon Treaty are the Romanian Ministry of Foreign Affairs, the European Commission Representation in Romanian and the European Institute of Romania. At the level of

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president of the EU Affairs Committee within the German Bundestag.

<sup>287</sup> Seminar organized by the Institute for Liberal Studies, on 5 February 2008, one day after Romania's ratification of the Treaty.

<sup>288</sup> *Romania, one year after the accession. European agenda, national agenda*, 25-27 October 2007.

<sup>289</sup> The Department for Public Communication of the Presidential Administration, 23 November 2007.

communication and information projects, partnerships are still at an incipient stage, which will later be followed by their standing out and materialization.

#### *The "Committee of the Wise"*

The proposal initially made by the French President, Nicolas Sarkozy, did not have a very strong echo at the Romanian public opinion level, circles of reflection or political field. Except for one neutral and descriptive article (posted by EurActiv Romania) related to the idea of creating a "Comité des Sages" which, despite its rather unclear mandate, is supposed to deal with the analysis of some major topics for the future of Europe, no nuanced opinions were made on the necessity, the role and possible added value of the activity of such a "High Level Reflection Group".

Mainly, the idea of creating expert groups to analyze and draw reports on the punctual problems that the European Union has faced throughout time is not an entirely new one. The utility and relevance of the results of such an initiative for reflection, especially in the case of a group without a very precise "job description", but with a questionable democratic legitimacy, are still uncertain. The doubts already expressed by certain European officials (Commissioner Rehn, Commissioner Wallström) or different members of the European Parliament could be considered as well-founded enough from a certain point of view. Considering the continuation of the enlargement process and the fact that the negotiations engaged with the states taking part in this process follow some rules and criteria already agreed upon, the conclusions of a report to be drawn by a group led by an ex-politician that already made public his scepticism in what concerns Turkey's accession (the former Spanish Prime Minister Felipe González Márquez), could be easily contested by the European enlargement supporters. Although the excerpt devoted to the possible mandate of this group, "*to take into account likely developments within and outside Europe and examine in particular how the stability and prosperity of both the Union and of the wider region might best be served in the longer term*", does not include direct references to the enlargement topic (or to the necessity of setting out the Union's borders), Sarkozy's original vision associated to his paternity as concerns this initiative is hard to be ignored by those who doubt the

equidistance of the Committee of the Wise within the current controversial discussions *for-against* Turkey's accession. The reluctance engendered by certain *arrière pensées* that might influence the reflection approach of "the 12" will probably keep being expressed before, but also after, the presentation of the report's conclusions in June 2010.

Still, the argument of the so-called "elitist" feature of the "Gonzalez group" as a possible obstacle for the efforts made during these last years in order to involve the European citizens in the debate concerning the future of the European Union seems slightly exaggerated. The analysis of EU's most important issues can be achieved at different levels, from a multitude of perspectives and can lead to different conclusions and scenarios. Expressing the European ordinary people's opinions does not face the risk of being altered by a parallel initiative carried out by a Committee of the Wise. Furthermore, the diagnosis of the Union's paralysis or *malaise* at the level of long-term visions and bold projects can now find a "cure". The original elitism of the European construction project must be indeed overcome, but this is an objective that can be achieved also by saving, and not annihilating its visionary substance.

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#### Future of the EU

### Slovakia\*

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#### Open timetable for ratification

The majority of Slovakia's politicians welcomed the signing of the Lisbon Treaty in December 2007. In fact, there is only one parliamentary party – the opposition Christian Democratic Movement (KDH) – that does not support the adoption of the Lisbon Treaty. The members of parliament representing the KDH use the same arguments against the Lisbon Treaty that they used in opposing the EU Constitution. They object the legally binding nature of the Charter of Fundamental Rights and criticize further transfer of competencies to the level of the EU. However, all other parliamentary parties have consistently favoured the adoption of the Lisbon Treaty.

In January 2008 the Minister of Foreign Affairs Ján Kubiš expressed his wish that Slovakia would be among first EU member states to

ratify the Lisbon Treaty.<sup>290</sup> However, since then the process of ratification of the Lisbon Treaty has been complicated by matters of domestic politics. While there is a broad political consensus in favour of ratifying the Lisbon Treaty through Slovakia's parliament and no major political force has seriously argued in favour of a referendum, the members of the political parties in opposition (the Slovak Christian and Democratic Union-Democratic Party – SDKÚ-DS, the Christian Democratic Movement – KDH and the Party of Hungarian Coalition - SMK) refused to vote in favour of the Lisbon Treaty unless the government changed the contents of the proposed media law that according to the opposition could restrict the freedom of speech in Slovakia. Hence, the Lisbon Treaty has become a victim to a political dispute over another piece of legislation.<sup>291</sup> Since the governing coalition composed of three parties (SMER-Social Democracy – SMER-SD, the Slovak National Party-SNS and the Movement for Democratic Slovakia – HZDS-L'S) controls 85 seats in Slovakia's parliament, it needs the support of the opposition MPs in order to secure the three fifths majority (90 out of the total of 150 MPs) necessary for successful ratification of the Lisbon Treaty. Mikuláš Dzurinda, former Prime Minister and leader of the biggest opposition party SDKÚ-DS), expressed readiness to vote in favour of the Lisbon Treaty as soon as the government would change the problematic parts of the proposed media law. Yet, so far there has been no political agreement on this law and the issue of Slovakia's domestic ratification of the Lisbon Treaty does remain open. The current dispute between the opposition and the coalition has had a small positive side effect in the increased media and public interest in the otherwise not debated Lisbon Treaty. We are expecting that the process of successful ratification in Slovakia is a matter of time whereby in coming weeks and months the government must concede some points on the proposed media law.

We have not observed any real public debate on the Committee of the Wise in Slovakia. The Prime Minister Robert Fico expressed his opinion on this initiative during a bilateral meeting with France's President Nicolas

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<sup>290</sup> "Kubiš: chceme byť medzi prvými, ktorí ratifikujú Lisabonskú zmluvu", TASR, 10 January 2008.

<sup>291</sup> More details available at:

<http://centreforeuropeanreform.blogspot.com/2008/02/slovak-roadblock-for-lisbon-treaty.html> (last access: 25.03.2008).

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\* Slovak Foreign Policy Association.

Sarkozy in Paris on 2 October 2007. In bilateral negotiations Fico welcomed the initiative of Sarkozy for the establishment of the Committee of the Wise. In particular, Fico emphasized the need to discuss the future of the Common Security and Foreign Policy (CFSP) within the work of this committee as the EU often faces difficulty in finding common position in difficult issues such as Iraq or Kosovo.<sup>292</sup>

## Future of the EU

### Slovenia\*

#### Great majority for a parliamentary ratification of the Lisbon Treaty

##### *Slovenian government*

For the Slovenian government, the Lisbon Treaty represents a successful closure of a process which began with the fall of the Berlin Wall and continued with the big-bang enlargement of the EU in 2004, in which Slovenia also played part. Signing of the Lisbon Treaty also ended a period of uncertainty which appeared due to the two negative referenda results in the spring of 2005. The new Treaty brings higher integration of the EU, raises the efficiency of its functioning and brings the Union closer to its citizens. The Lisbon Treaty includes almost all the novelties of the non-ratified Treaty establishing a Constitution for Europe.

Due to co-decision by European Parliament and the Council, the Treaty increases the democratic principles of the Union. National parliaments are to be included much more intensively into the legislative procedure with higher authorities. The Charter of fundamental rights is to become legally binding which enables the citizens to profit from an understandable catalogue of fundamental rights. The possibility of a citizen's petition is pointed out as a positive way of direct people's participation. A second contribution of the Treaty is therefore to making the functioning of the EU more transparent and understandable.

A third positive aspect of the Lisbon Treaty is making the EU more efficient by qualified majority decision-making in the greater part of

<sup>292</sup> The report from bilateral negotiations between Fico and Sarkozy on 2 October 2007 is available at: [http://www.rokovania.sk/app/materijal.nsf/0/FF5540B615B0259EC125737700415980/\\$FILE/Zdroj.html](http://www.rokovania.sk/app/materijal.nsf/0/FF5540B615B0259EC125737700415980/$FILE/Zdroj.html) (last access: 25.03.2008).

\* Centre of International Relations.

the issues dealt with in the Council. As the number of the EU parliamentarians will shrink, Slovenia will nevertheless receive an additional parliamentary seat (making 8 MEPs altogether).

Slovenia was a part of the group of 16 member states who gave a Declaration on the symbols of the EU, exposing that the present EU flag, EU anthem and Europe Day shall remain symbols of a common affiliation of the citizens to the EU.

Slovenia has set for its goal to try and ratify the Lisbon Treaty as soon as possible (rather among the first), provisionally in January 2008.<sup>293</sup> Eventually, the National Parliament ratified the Lisbon Treaty with 74 MPs (out of 90) voting in support and 6 MPs (from the Slovenian National Party and from *Lipa* – until recently also part of the Slovenian National Party) voting against on 29 January 2008.<sup>294</sup> However, the Slovenian National Party has – after a turndown of a referendum possibility on the ratification made by the Parliament – already demanded for a subsequent legislative referendum on the issue.<sup>295</sup>

##### *Slovenian Parliamentary Political Parties*

In the wake of the ratification of the Lisbon Treaty in the Slovenian National Parliament, the attitudes of parliamentary political parties in Slovenia appeared in the media. The following is the summary of those attitudes:

- Slovenian Democratic Party (*Slovenska demokratska stranka* – SDS) (coalition party) MP Jožef Jerovšek, who presides over the Parliamentary Committee for Foreign Policy, believes that Slovenian ratification during the Slovenian EU Presidency is a smart move. This is supposed to be in the Slovenian strategic interest, since this would encourage other member states to

<sup>293</sup> Ministry for Foreign Affairs of the Republic of Slovenia (2008), *Lizbonska pogodba* [Lisbon Treaty], available at: [http://www.mzz.gov.si/si/zunanja\\_politika/evropska\\_unija/lizbonska\\_pogodba/](http://www.mzz.gov.si/si/zunanja_politika/evropska_unija/lizbonska_pogodba/) (last access: 12 January 2008).

<sup>294</sup> RTV SLO (29 January 2008), *Lizbonski pogodbi visoka podpora* [High Support to the Lisbon Treaty], available at: [http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=163745&tokens=lizbonska+pogodba](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=163745&tokens=lizbonska+pogodba) (last access: 30 January 2008).

<sup>295</sup> RTV SLO (30 January 2008), *SNS vztraja pri referendumu* [SNS sticks to the referendum], available at: [http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=1&c\\_id=163889&tokens=lizbonska+pogodba](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=1&c_id=163889&tokens=lizbonska+pogodba) (last access: 30 January 2008).



ratify the treaty. Stalling the ratification could create 'a two-speed EU', whereby the big member states would stall the ratification even more. Ratification would therefore bring positive effects especially to small states.

- Liberal Democratic Party (*Liberalna Demokracija Slovenije* – LDS) (opposition party). The President of LDS Katarina Kresal declared that LDS MPs will support the ratification of the Lisbon Treaty since they believe it strengthens the role of the EU as a global political and economic actor, which is to contribute to a unified image of the EU in the international community. The new Treaty also means a step forward in the institutional development of the EU. LDS proposes for Slovenia to take opportunity from the EU Presidency and encourage other member states to engage themselves to provisional timeframes for the ratification of the Treaty.
- Social Democrats (*Socialni Demokrati* – SD) (opposition party). SD also welcomes the ratification of the Lisbon Treaty. The Head of the Parliamentary Group Miran Potrč said that the ratification is only the final stage of the process which began with the Convention on the Future of Europe in 2001. Since the National Parliament already ratified the Treaty establishing a Constitution for Europe (on 1 February 2005), which represents the majority of the new Lisbon (Reform) Treaty text, the ratification should not be questionable. Besides, he adds, at this stage it would be hard to amend or modify anything. Potrč also exposed that the new Treaty brings more influence for Slovenia in terms of decision-making in the EU institutions and one additional MEP. SD also believes the ratification should be a priority of the Slovenian Presidency and that Slovenian ratification would encourage other member states to come closer to a positive decision on the ratification.
- New Slovenia (*Nova Slovenija* – NSi) and Slovenian People's Party (*Slovenska ljudska stranka* – SLS)

(both coalition parties). NSi MP and President of the Parliamentary Committee for EU Affairs Anton Kokalj declared that NSi made a public initiative to the Government and the Parliament to make Slovenia the first to ratify the Treaty. The reason for this should mainly be of a symbolic nature, due to the ratification process being one of the Slovenian Presidency's priorities. Slovenia should act as a model. According to the Head of the SLS Parliamentary Group Jakob Presečnik, SLS shares this position.<sup>296</sup>

- Slovenian National Party (*Slovenska nacionalna stranka* – SNS) (opposition party). SNS believes the Lisbon Treaty should be subjected to a referendum. It made a proposal for a referendum question for support of the Lisbon Treaty (the question was formulated very straight forward: "*Ali ste za to, da Republika Slovenija ratificira Lizbonsko pogodbo, ki spreminja Pogodbo o Evropski uniji in Pogodbo o ustanovitvi Evropske skupnosti?*" – Do you support Slovenian ratification of the Lisbon Treaty which modifies Treaty on the European Union and Treaty establishing the European Community?). The proposal was turned down in the National Parliament, just prior to the vote on the ratification of the Treaty on 29 January 2008. SNS believes the Treaty will bring some changes to the 'rules of the game' upon which people in Slovenia live and should therefore be subject to a referendum.

The President of SNS Zmago Jelinčič, MP explained his party's decision to call for a referendum saying that it is impossible to explain the 271 pages of the document to the people in such a short time and for this reason the ratification process in Slovenia is too hasty.<sup>297</sup>

<sup>296</sup> RTV SLO (13 December 2007), Hitra ratifikacija pogodbe: Da ali ne? Kaj menijo poslanske skupine o ratifikaciji Lizbonske pogodbe [Fast ratification of the Treaty: Yes or no? Opinions of the Parliamentary Groups on the ratification of the Lisbon Treaty], available at: [http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=159953&tokens=refor\\_mna+pogodba](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=159953&tokens=refor_mna+pogodba) (last access: 13 January 2008).

<sup>297</sup> RTV SLO (2008), Ovir za lizbonski referendum ni. SNS mora predlog dopolniti [There are no limitations for Lisbon referendum. SNS needs to amend the proposal], Ljubljana, 22 January 2008, available at: [http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sect](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sect)



## Future of the EU

## Spain\*

## Major parties support the Lisbon Treaty

The next Spanish national elections will be held on 9 March 2008, following the dissolution of the current Parliament on 14 January 2008. Thus, the ratification process of the Lisbon Treaty can start only after the formation of the new government resulting from these elections. Obviously, no official timetable for ratification has been announced yet. Alberto Navarro, the current Spanish Secretary for the European Union, declared on 17 January that ratification would not take place until June or July at the earliest. It is, however, unlikely for the entire ratification process to be completed by the new Parliament before the summer and it is even possible for there to be a delay until September or October 2008.

Although the call to elections has had some effect on this uncertainty regarding the timetable, there is no need to wait for the outcome of the elections to foresee that the required majority for ratification will be easily reached in the next Parliament. Both the socialist José Luis Rodríguez Zapatero (the Prime Minister in office who will try to secure a second term) and the conservative Mariano Rajoy (leader of the Popular Party who will seek to regain the power his party lost four years ago) support the Lisbon Treaty.<sup>298</sup> Although this has been an extremely conflict-ridden parliamentary term for the two major parties, the deep disagreements between them have been based on domestic reasons – moral issues, territorial politics or how to handle the fight against Basque separatist terrorism – while EU policy has continued to be an area in which bipartisan agreement still dominates.

The government has declared that the Treaty does not require a referendum<sup>299</sup> and, despite

[ions&func=read&c\\_menu=1&c\\_id=163209&tokens=reforma+pogodba](#) (last access: 22 January 2008).

\* Elcano Royal Institute.

<sup>298</sup> It is clear that the Prime Minister – José Luis Rodríguez Zapatero, who signed the Reform Treaty in Lisbon last December – and his party – the PSOE – will vote in favour. The leader of the opposition Popular Party – Mariano Rajoy – also announced his support in the Parliament after the European Council. See addresses available at the Parliamentary Journal of Debates (*Diario de Sesiones del Congreso de los Diputados*), 19 December 2007, num. 309, available at: [www.congreso.es/public\\_oficiales/L8/CONG/DS/PL/PL\\_309.PDF](http://www.congreso.es/public_oficiales/L8/CONG/DS/PL/PL_309.PDF).

<sup>299</sup> Alberto Navarro, Secretary of State for the EU, 17 January 2008.

not having formally announced its position, the Popular Party seems to agree that a new popular vote is unnecessary<sup>300</sup> (the preceding Constitutional Treaty was already endorsed by a large majority of voters, even with a low turnout rate, in a consultative referendum which was held in 2005). Public opinion and the media are not calling for a referendum either, since there is a broad social consensus among Spaniards on the advantages of European integration. However, even if the strong support consistently shown towards the EU appears unchanged, the responsiveness and level of communication of policy makers with Spain's citizens in the current stage of the integration process is relatively poor.<sup>301</sup> A less favourable economic situation could lead to increased disaffection and could negatively influence the relation between a passive wider public and the few officials or party elites who tend to monopolise EU policy-making in Spain.<sup>302</sup>

In any case, following the elections and the formation of a new government, the Lisbon Treaty will be ratified without a doubt in Parliament's two chambers. Since both main parties – PSOE and PP – appear to be in favour, an overwhelming majority of close to 95% of the vote will be reached (and only an absolute majority of 51% is required in the Congress of Deputies – i.e., 176 votes out of 350 deputies – and for subsequent approval in the Senate). Of the minor parties, the moderate Catalan and Basque nationalists also support the Treaty. Only the left-wing United Left and the radical nationalist parties (with less than 5% of the seats in Congress) are against it.

The establishment of an independent Reflection Group (the so-called 'Committee of the Wise') at the last European Council, adapting the original idea launched by President Sarkozy, has generally been well considered in Spain as an opportunity to help the EU to anticipate future challenges. Some of

<sup>300</sup> Mariano Rajoy has just announced his support for a trouble-free ratification of the Treaty in a so-called 'European meeting' organised by the French UMP governing party in Paris on 30 January, alongside the French President Nicolas Sarkozy and the German Chancellor Angela Merkel.

<sup>301</sup> See Elcano's Barometer 16<sup>th</sup> Wave (BRIE issued November 2007), available at: [www.realinstitutoelcano.org](http://www.realinstitutoelcano.org).

<sup>302</sup> To involve some popular attachment in this process, the current Government plans to provide the Treaty ratification bill, including the EU Charter of Fundamental Rights, with legal binding effects and some reference to European symbols, such as the flag and the anthem, which are very well accepted in Spain.

the issues and developments which the 'Committee' has to discuss as areas for potential strengthening of EU action are precisely the topics in which Spain has the most interest, such as immigration, energy policy and the fight against terrorism. The limits imposed on the Committee's agenda with regard to institutional matters or current EU policies should help safeguard the ongoing ratification of the Reform Treaty and the success of the budgetary revision currently in progress. Therefore, this somewhat limited mandate has been well accepted. Since it is not clear if the 'wise' men will discuss Turkey's prospective membership, Spain – that supports enlargement – will await the development of the workings and discussions within the Group. However, some statements attributed to the Committee's President, Felipe González, defending an alternative solution to full membership for Turkey<sup>303</sup> – perhaps only a 'privileged partnership' – could anticipate future divergences.

However, despite this specific discrepancy between the Spanish government and Felipe González, the appointment of a past Spanish socialist Prime Minister as the Chair of the Reflection Group helps the Committee's overall positive impact and the idea that Spain might shape to some extent the results of the reflection. The government has stated to the Parliament that the election of González as President of the group is excellent news for Spain.<sup>304</sup> Furthermore, his high political profile and prestige<sup>305</sup> should help to bring about an active process of reflection and an ambitious outcome.

<sup>303</sup> Quoted by J. Torreblanca in:

[http://www.ecfr.eu/content/entry/commentary\\_more\\_wisdom\\_for\\_europe/](http://www.ecfr.eu/content/entry/commentary_more_wisdom_for_europe/).

<sup>304</sup> See the address of the Prime Minister José Luis Rodríguez Zapatero at the Parliamentary Journal of Debates (*Diario de Sesiones del Congreso de los Diputados*, VII Legislatura), 19 December 2007, num. 309, p. 15356, available at:

[http://www.congreso.es/public\\_oficiales/L8/CONG/DS/PL/PL\\_309.PDF](http://www.congreso.es/public_oficiales/L8/CONG/DS/PL/PL_309.PDF).

<sup>305</sup> Felipe González has even been praised by the conservative leader Mariano Rajoy as someone who has clearly demonstrated he has many ideas about Europe. See his statement at the Parliamentary Journal of Debates (ibid, p. 15359).

## Sweden\*

### Getting the Lisbon Treaty ratified – Swedish Presidency 2009

Sweden has historically been rather hesitant of far-reaching supranational cooperation within the EU and has to a large extent approached the EU from an intergovernmental perspective. This characterization has been gradually changing in recent years, especially so in the last two years since the centre-right coalition government has been in office. The current government has repeatedly stated that Sweden is to belong to the core of European integration.<sup>306</sup> Among the priorities is of course to get the reform treaty ratified, a treaty that is perceived by the government to be substantially positive. "We are very satisfied with the result", proclaimed Swedish Prime Minister Fredrik Reinfeldt already after the European Council meeting in June 2007.<sup>307</sup> In the government's work program for EU affairs for the fall of 2007, it was further noted that it was to be a Swedish priority to work actively for the intergovernmental conference on treaty reform to execute the mandate given by the European Council.<sup>308</sup> The Social Democrats are equally positive to Sweden's ratification of the treaty and neither the government nor the Social Democrats want a Swedish referendum on the issue. In contrast, as has been the repeatedly the case regarding EU issues in Sweden, the Green Party and the Left Party are of a different opinion.<sup>309</sup>

It was concluded in the recent annual declaration on foreign policy by the government to the parliament that "Sweden will take a proactive role in developing the European Union as a global actor, especially in

#### \* Malmö University/Stockholm International Peace Research Institute.

<sup>306</sup> For recent examples, see for instance speech by Cecilia Malmström, Minister for EU Affairs, at a presidency seminar hosted by the French government, 2007-11-17, available at: <http://www.regeringen.se> (last access: 04.03.2008); Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, 2008-02-13, available at: <http://www.regeringen.se> (last access: 04.03.2008).

<sup>307</sup> "Detta betyder EU-beslutet", Svenska Dagbladet, 2007-06-23, available at: <http://www.svd.se> (last access: 04.03.2008).

<sup>308</sup> The Swedish government's work program for the EU, fall 2007, pp. 2-3, available at: <http://www.regeringen.se> (last access: 04.03.2008).

<sup>309</sup> Available at: <http://www.mp.se> (website of the Green Party); available at: <http://www.vansterpartiet.se> (website of the Left Party), last access: 04.03.2008.

peace and security policy. We want to work to ensure that the European Union is well-equipped through a broad and effective foreign policy to meet the global challenges facing Europe and the world. On this basis we also want to strengthen transatlantic cooperation.”<sup>310</sup>

Among the prioritized issues regarding the future of the EU – apart from sections two-four below which are all Swedish priorities – are a number of issues related to security policy broadly defined. As argued by Foreign Minister Carl Bildt in October 2007, “There are many driving forces behind [the] Reform Treaty, but perhaps the most significant one is to make it possible for our Union to strengthen its voice on global affairs by creating new institutions and instruments in the field of foreign and security affairs”.<sup>311</sup> The government seeks to further develop the European Security Strategy to encompass climate issues, better handle terrorist threats and increase the potential for EU leverage as a global actor.<sup>312</sup> This is to some extent supported by the opposition parties, although none of them are in favour of a militarization of the EU.

A specific issue regarding the future of the EU concerns the new circumstances for the rotating presidency once the reform treaty has entered into force. More specifically, the Swedish presidency in the fall of 2009 will take place in the immediate aftermath of the elections to the European Parliament as well as the installation of a new Commission that same fall. The Swedish presidency is already gathering a lot of governmental interest and energy and the tentative priorities of the three presidencies of France, the Czech Republic and Sweden signal the key issues regarding

<sup>310</sup> Statement of Government Policy, 2008-02-13.

<sup>311</sup> Speech by Carl Bildt, Minister for Foreign Affairs, at “The Bosphorus Conference: The EU and Turkey – Drifting Apart?”, 2007-10-06, available at: <http://www.regeringen.se> (last access: 04.03.2008), see also his article in the Swedish daily Dagens Nyheter, “Nu måste vi göra EU till en militär fredsmakt” [Now we must turn the EU into a military force for peace], 2008-01-02, available at: <http://www.dn.se> (last access: 04.03.2008). Also see speech by Cecilia Malmström, Minister for EU Affairs, “EU- hur ska den gemensamma försvars- och säkerhetspolitiken utvecklas?” [The EU – how is the common defense and security policy to be developed?], 2008-01-13, available at: <http://www.regeringen.se> (last access: 04.03.2008).

<sup>312</sup> Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, 2008-02-13, available at: <http://www.regeringen.se> (last access: 04.03.2008); also see Bildt, “Nu måste vi göra EU till en militär fredsmakt”, 2008-01-02 and Malmström, “EU- hur ska den gemensamma försvars- och säkerhetspolitiken utvecklas?”, 2008-01-13.

the future of the EU as seen from a Swedish perspective. There are five such prioritized areas:

- Climate, environment and energy (“The EU has a unique possibility to show leadership in the climate issues”)
- Employment, growth and competitiveness, including budget review
- A more secure and open Europe
- The Baltic Sea and relations to the EU’s near abroad
- Enlargement and the further development of the EU as a global actor<sup>313</sup>

Although the opposition has yet to react substantially to these ideas it seems that in general terms there will not be much disagreement regarding these priorities, although issues of human rights protection and the militarization of the EU may be brought forward by the opposition as a way to say that the government is too lenient vis-à-vis some other actors in the EU context.

## Future of the EU

### Turkey\*

#### French initiatives stir up pessimism

As reported in the previous editions of EU-25/27 Watch on Turkey, developments in the EU receive political and public reactions and national media coverage only when they relate to the accession of Turkey to the EU. The issue of the future of the EU is no exception in this regard. Therefore the debate on EU’s future received public opinion’s attention to the extent that it, in the eyes of the public, was linked to Turkish membership. This means that matters such as those related to the timetable and the technical process for ratification of the Treaty were of no interest to Turks, as Turkey is not expected to ratify the Treaty. Such disinterest in the future of the EU is also aggravated by the fact that Turkish attitude towards the EU in general is growing increasingly sceptical in seeing Turkey in the EU.

<sup>313</sup> Speech by Cecilia Malmström, Minister for EU Affairs, in the Swedish parliament concerning the Swedish Council Presidency, 2008-01-24, available at: <http://www.regeringen.se> (last access: 04.03.2008). Also, Malmström, French government presidency seminar, 2007-11-17.

\* Center for European Studies / Middle East Technical University.

*Turkey and the future of the EU*

According to a recent Eurobarometer poll, Turkish public opinion is by far more pessimistic about the future of the EU than the current member states. While 66% hold a positive assessment among the EU-27 member states, this figure remains only at 51% in Turkey. What is more striking is that the general image of the EU among Turks is even less optimistic.<sup>314</sup> Underlying these attitudes were most probably reports that the French President Nicolas Sarkozy insisted that Turkey had no place in Europe. Among his inventions to sideline Turkey's full membership bid were the introduction of a Mediterranean Union, establishment of a committee of wise men discussing the future of the EU and the introduction of a joint working group between Turkey and France. Through these mechanisms Mr. Sarkozy had openly attempted to derail the EU-Turkey accession talks toward full membership. Such moves contributed to recent wave of pessimism in Turkey.<sup>315</sup> Following Germany's chancellor Angela Merkel's line, it was now Mr. Sarkozy who insisted on establishing a privileged partnership with Turkey instead of full membership – a long-standing promise the EU made. Eventually Mr. Sarkozy had managed to block all direct references to Turkey's accession in the Brussels European Council conclusions of December 14, 2007 – which did not resound well all across Turkey. Opinion makers in Turkey also share the plummeting support for Turkey's EU bid amongst the public opinion. Many EU experts, politicians, businessmen and journalists find themselves questioning their previous positions regarding the EU perhaps for the first time in years.<sup>316</sup>

The government, however, clings to Turkey's longstanding goal of full membership. In an implicit reference to France, Minister of Foreign Affairs Ali Babacan commented that accession negotiations were expected to progress as each chapter would be closed without having to depend on the "political choices of certain countries".<sup>317</sup> He had recently added that the attitudes of Mr. Sarkozy and Mrs. Merkel "do not affect us" as he believed that their views will not determine the place of Turkey in the future EU.<sup>318</sup>

<sup>314</sup> Standard Eurobarometer 68 – Autumn 2007, Ulusal Rapor: Turkiye.

<sup>315</sup> *Anadolu Ajansi*, December 14, 2007.

<sup>316</sup> *Radikal*, December 15, 2007 and *Referans*, December 15, 2007 and December 27, 2007.

<sup>317</sup> *Agence Europe*, November 21, 2007.

<sup>318</sup> *AjansAB-Zaman*, February 3, 2008.

*Reactions to the establishment of a 'Committee of the Wise'*

In response to the decision of the European Council in December 2007 to establish a Reflection Group on the future of the EU the Turkish government repeated its historical stance that Turkey would never participate in a forum that questions its future membership. The decision of the European Council to limit the scope of the mandate of the Reflection Group to exclude the future borders of Europe was thus welcomed. The Turkish Foreign Minister Ali Babacan was quoted as saying "the French proposal has now been brought down to levels acceptable for us".<sup>319</sup>

Turkey's economy minister Mehmet Şimşek had already made it clear before that Turkey would accept no recommendation from the "wise men" involving a privileged EU relationship, partnership in a French-proposed Mediterranean Union, or anything else short of full EU membership.<sup>320</sup> The Turkish government expects the EU to stay loyal to the promises it has made and to avoid dragging Turkey into a discussion over the future of the EU. This is a view shared widely among political parties and civil society organizations in Turkey.

**Future of the EU****United Kingdom\*****Clamour for a referendum***The Lisbon Treaty's ratification*

British public debate on the EU has focused in recent months on the Lisbon Treaty. The central thread running through political and media discussion has been the process of the Treaty's ratification, particularly contentious because of the commitment Mr Blair gave in 2004 to hold a referendum on the Lisbon Treaty's predecessor, the Constitutional Treaty. Jack Straw MP, then Foreign Secretary, has since conceded that this promise was made to assuage the public "clamour" for a referendum<sup>321</sup>. After the French and Dutch "no" votes, some commentators credited Mr Blair with a tactical success: he

<sup>319</sup> *Turkish Daily News*, December 17, 2007.

<sup>320</sup> *Financial Times*, November 7, 2007.

\* **Federal Trust for Education and Research.**

<sup>321</sup> Martin Bright and John Kampfner: Interview: Jack Straw, Published 20 September 2007, available at: <http://www.newstatesman.com/200709200012> (last access: 04.03.2008).



had deferred intensive media and political scrutiny of the Constitutional Treaty, perhaps indefinitely, by promising a referendum, correctly calculating that, in the event, it would not be held.

The progress made during the German and Portuguese Presidencies towards the agreement of the Lisbon Treaty in December surprised those in the UK who had supposed the Union was in interminable institutional deadlock. Mr Brown did not attend the signing ceremony at which all other heads of government were present, instead signing the Treaty in isolation later that day. Both the pro-European Liberal Democrats and the largely-Eurosceptic Conservative Party criticised Mr Brown for what they saw as an attempt to minimise media coverage of the signing. Mr Blair's commitment to a referendum on the Constitutional Treaty has returned to haunt his successor. The "clamour" for a referendum from much of the national print media remains undiminished.

Those in favour of a referendum being held in 2008 have sought to establish the equivalence of the Constitutional and Lisbon Treaties, while the Government has sought to stress the differences between the two; the Lisbon Treaty, according to the Government, falling short of constituting "fundamental constitutional change"<sup>322</sup> and therefore not warranting the holding of a referendum. Ironically, the two treaties are arguably more different from the UK's perspective than from that of other member states, the British opt-in/opt-out over areas of Justice and Home Affairs, for example, having been extended in the Lisbon Treaty. Nonetheless, the unquantifiable nature of the differences between the two treaties ensures that neither side can objectively win an argument of this type. The Lisbon Treaty has, like its predecessors, become the subject of a debate which is a surrogate for Britain's underlying attitude to the European Union; those pressing for a referendum (ostensibly on a "question of trust" in the Government) tending to be those most hostile to the EU's integrative development and Britain's place within it.

Correctly surmising that any referendum on the Lisbon Treaty could only ever be fought on the

basis of the electorate's more general appreciation of the Union, the Liberal Democrats have attempted to abstain from the immediate (and potentially politically damaging) debate, calling instead for a referendum at an undefined point in the future on Britain's membership of the EU. The Conservative Party has been silent on what the consequences of a "no" vote to a referendum on the Lisbon Treaty might be, or how a "re-negotiation" of the UK's terms of membership could in these circumstances take place. The Conservatives have also been unwilling to commit to holding a referendum on the Lisbon Treaty in the event of their forming a government in 2010. The main opposition parties are able to take their politically expedient positions safe in the knowledge that a referendum on the Lisbon Treaty will not, in all likelihood, take place.

The law implementing the Lisbon Treaty in the British parliament is currently undergoing a series of debates in the House of Commons, before being subject to a final vote there, and subsequently in the House of Lords. Initial focus settled, in late January, on a proposed amendment to add to the Bill a requirement for a referendum to be held as part of the Treaty's ratification. The 'rebellion' of 18 Labour MPs against the Government in supporting this amendment does not however threaten the vast numerical superiority in the Commons of those supporting ratification without a referendum. It seems unlikely too that the House of Lords, who will start to debate the Bill probably in early March, will constitute a barrier to the Treaty's parliamentary ratification. The Government has nonetheless sought to limit the political damage which it considers general debate on the Treaty in the Commons might cause – first, by structuring debates around specific policy areas, and second, by limiting the period for these debates to 12 days as opposed to the 18 desired by the Opposition.

#### *The Committee of the Wise*

The British Government has publicly committed itself to the view that no substantial new institutional changes can be envisaged in the European Union for a number of years to come. Perhaps in consequence of this attitude, there has been little or no political and public reaction to the establishment of the "Committee of the Wise". In so far as the Government has expressed a view on the remit of the committee, it is to stress its view that economic reform should be the principal

<sup>322</sup> Cf. House of Commons Debate, 21 Jan 2008, available at: <http://www.publications.parliament.uk/pa/cm200708/cmhan/srd/cm080121/debtext/80121-0009.htm> (last access: 04.03.2008).

priority of the Union's agenda for the coming decade.



# 2

## Western Balkans - Enlargement

*In November 2007, the Commission published its annual strategy document on EU enlargement summarising the progress of the candidate countries (Croatia, Turkey, and the former Yugoslav Republic of Macedonia) and the potential candidate countries (Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo – under UN Security Council Resolution 1244).*

- **What are the reactions in your country, which points are considered the most important, and what are the implications for the future of EU enlargement?**
- **Which positions does your country have on the status of Kosovo and the future of EU-Serbia relations? Are there any special interests or concerns?**

## Western Balkans - Enlargement

### Austria\*

#### Ensuring stability on the Western Balkans

The stabilisation of the Western Balkans and its integration into the European project in the middle and long run has been one of the priorities of the Austrian foreign strategy. Generally speaking, comments, be it from the side of politicians or the media, have been rather benign in regard to the Western Balkan countries, whereas Austria is known to be one of the greatest opponents of a possible Turkish EU membership.

Whereas Austria's official foreign strategy aims to keep up a European perspective for Balkan countries, the Austrian public shows rather low support for further enlargements. And this trend seems to gain further momentum with the increasing feeling of insecurity in light of media reports on increased crime and the fear for the maintenance of the welfare state. Only Croatia's accession is generally supported by the Austrian public. Even members of the FPÖ have expressed their support for Croatia's accession.

In reaction to the Commission's criticism of the slow progress of political reforms in most of the Western Balkan countries, Austrian commentators have stated that the grace period would be over. The Balkan states should take the warnings seriously was the consensus in most of the comments. Minister Plassnik emphasised that the bestowment of a candidate status was not a favour, but that it is linked with the fulfilment of certain standards.

With regard to Bosnia, the Austrian media has tended to side in the tensions between the Republica Srpska and the federal government with the Bosnian federation. However, commentators as Detlef Kleiner in Die Presse have blamed the Dayton Treaty for the existing stalemate. He has called for Dayton II in order to create a functioning Bosnian state.<sup>323</sup>

There has been comparably intensive media reporting on Turkey. In December 2007, Chancellor Gusenbauer reiterated his claim to reconsider Turkey's membership. He added

\* Austrian Institute of International Affairs.

<sup>323</sup> Detlef Kleinert: Europa, der Balkan und die Ignoranz, in: Die Presse, 6.11.2007, available at: <http://diepresse.com/home/meinung/gastkommentar/341194/index.do> (last access: 05.03.2008).

that no one in the EU assumed that the negotiations can be completed within the next ten years. He further added that there has been a consensus in Austria that the country will hold a referendum in case of a Turkish accession; a political decision which would only affect Turkey's accession but not the Western Balkan countries'.

With regard to Serbia, the government, but also the opposition have emphasised the importance of keeping up a European perspective. However, the chancellor's declarations with regard to the independence of Kosovo caused diplomatic reactions from Belgrade.

#### *The status of Kosovo and the future of EU-Serbia relations*

Chancellor Gusenbauer had early stated that Austria would support a quick recognition of the Kosovo. The chancellor had affirmed that Austria had a lot of expertise and a high reputation in the Balkans region, therefore many others would peer at Austria. "Austria cannot and will not be one of those who lean backwards", he said and added that Austria will take a clear position in this issue.

The chancellor's statement caused criticism from Serbia. The Serbian ministry for foreign affairs declared that such statements would harm the bilateral relations between the two countries and that a solution to the issue should be found in the context of the UN Security Council.

Heinz-Christian Strache, the leader of the oppositional right wing FPÖ, criticised the chancellor for the vagueness of his statements and warned against a possible domino effect in Europe. He compared the Ahtisaari Plan with the "dictate of Versailles" where European powers split Europe. But the newly constructed states were then left alone without any political or economic support. Strache also mentioned that the Kosovo was genuinely Serbian and that it was only "artificial settlement" which made it into Albanian. Theoretically, the independence of the Kosovo would be something like if Czechs would settle down in the province of Niederösterreich and then claim independence for this province. He then added that looking at Ex-Yugoslavia one gains the impression that the US is pursuing a policy of Islamization.<sup>324</sup>

<sup>324</sup> Adelheid Wöfl: Strache: "Urhistorisch serbisches Land", Der Standard 18.2.2008, available at:

His party colleague Andreas Mölzer stated that Serbia's way to Europe must happen without any repressions. With regard to the Kosovo any solution to the problem should also take Serbia's legitimate historical interests into consideration.<sup>325</sup>

Ulrike Lunacek from the Green Party said that any unilateral declaration of independence by the Albanians should not lead to a hasty acknowledgement by the EU states, including Austria.

As a consequence of the Brussels summit, where the EU states agreed on a mission for the building up of administration and justice in Kosovo, Austria is planning to contribute to the planned "rule of law mission" to Kosovo with around 30 people, comprising policemen, prosecutors, finance experts and judges.

Meanwhile the Austrian cabinet has voted for the recognition of the Kosovo. The cabinet's decision will be approved by the President of the Republic. President Heinz Fischer has already authorised Foreign Minister Ursula Plassnik (ÖVP) to establish diplomatic relations with the new Kosovar state.

The Austrian government's decision has met the criticism of the Serbian community living in Austria. A demonstration of around 8000 Serbs in Vienna, on February 23, ended in a clash between demonstrators and Albanians. This was also the reason why the organisers cancelled the demonstration planned a week later.

With regard to Serbia, Foreign Minister Plassnik (ÖVP) stated that Austria would support the signing of an association agreement with Serbia. Plassnik declared that the question of the status of Kosovo cannot be put on the shelf. She said: "We have to resolve this last status problem in order to ensure enduring stability on the Balkans which is essential for the region to look forward into a European future". Plassnik also said that Austria would support Martti Ahtisaari's proposal to grant the Kosovo an internationally monitored independence which encompasses the protection and the rights of the Serbian

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<http://derstandard.at/?url=?id=3228747> (last access: 05.03.2008).

<sup>325</sup> Mölzer: Kosovo - Österreich sollte Anerkennung einer einseitigen Unabhängigkeitserklärung verweigern, available at:

[http://www.ots.at/presseaussendung.php?schluessel=OTS\\_20080215\\_OTS0110](http://www.ots.at/presseaussendung.php?schluessel=OTS_20080215_OTS0110) (last access: 05.03.2008).

population and of other ethnic groups living in the territory.

In an interview for the Kleine Zeitung, Plassnik stated that the Kosovo was the graduation test for European foreign policy. She added that it was not at all easy to achieve a common ground for further procedures in this question, but that the EU has displayed its will to take on responsibilities.<sup>326</sup>

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## Western Balkans - Enlargement

### Bulgaria\*

#### Support for active EU engagement with Western Balkans

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Bulgaria welcomes the progress made by Western Balkans countries and shares the concerns expressed in the Strategy Document on EU enlargement published by the Commission in November 2007. Bulgaria supports the European and Euro-Atlantic integration of all Western Balkans countries.<sup>327</sup> It has signed bilateral agreements with all the countries of the Western Balkans for exchange of expertise and know-how in the process of European integration.<sup>328</sup>

As Slovenia assumed the Presidency of the EU on 1 January 2008, Bulgaria pledges full support for Slovenian initiatives and will back up efforts for all necessary reforms in the countries of the Western Balkans on their way to a closer European perspective.<sup>329</sup>

Bulgaria is aware of the major problems facing the Western Balkans as outlined in the Strategy Document of the European Commission. The country is concerned about institutional reforms, minority rights, corruption, criminality and preservation of historical sites in the countries of Western Balkans, especially in conflict-torn societies.<sup>330</sup> But still Bulgaria maintains (expressed by the Minister of Foreign Affairs in several statements and interviews) that the European perspective is an

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<sup>326</sup> Kleine Zeitung: Plassnik: Österreich wird Kosovo anerkennen, 18.02.2008, available at: <http://www.kleinezeitung.at/nachrichten/politik/812320/index.do> (last access: 05.03.2008).

\* Bulgarian European Community Studies Association.

<sup>327</sup> See <http://bgnewsroom.com>, accessed on: 6.01.2008.

<sup>328</sup> See [http://bulgaria.actualno.com/news\\_141891.html](http://bulgaria.actualno.com/news_141891.html), accessed on: 5.01.2008.

<sup>329</sup> See [http://www.mfa.bg/bg/index.php?option=com\\_content&task=view&id=16926&Itemid=216](http://www.mfa.bg/bg/index.php?option=com_content&task=view&id=16926&Itemid=216), accessed on: 5.01.2008.

<sup>330</sup> See <http://evropa.dnevnik.bg/show/?storyid=393233>, accessed on: 5.01.2008.

important reform-driving factor for societies and states in transition, and keeping these reforms on track would only be possible through the long-term commitment and engagement of the EU with the Western Balkans' future.

### *Position of Bulgaria on the Status of Kosovo*

#### *A Normative Reading of Bulgaria's Position*

The government and the Ministry of Foreign Affairs publicize their activities and policy with regard to the status of Kosovo. There are indisputable diplomatic efforts on behalf of Bulgaria to pursue an engaged but moderate course, thus earning the respect of both Pristina and Belgrade, as well as the acknowledgement of the international community. Bulgarian authorities repeatedly have met with representatives of the Contact Group, Ahtisaari's office, EU, US, and UN officials. Senior Bulgarian diplomatic and political representatives from the Government, the Parliament, the President, the Ministry of Foreign Affairs, the Ministry of Culture, have made shuttles, exchange visits or hosted a variety of meetings in Sofia with representatives of Belgrade and Pristina. It has to be emphasized that Bulgaria attributes equal attention to both sides, even the type and intensity of diplomatic and political activity towards Kosovo and Serbia seems balanced.<sup>331</sup>

One of the few exceptions was the explicit statement made by Foreign Minister Ivailo Kalfin at the end of 2007. He forewarned that Kosovo Albanians would make a mistake if they unilaterally declare independence.<sup>332</sup> And he also recommended that processes in Kosovo should be regarded separately from the European integration of Serbia.<sup>333</sup>

The unilateral declaration of Kosovo independence on 17 February 2008 faced the Bulgarian government with the harsh regional

realities and, in fact, spoiled the best-case scenario for Bulgarian authorities – a negotiated solution between Belgrade and Pristina on Kosovo's future. Bulgaria cannot ignore the facts on the ground in Kosovo, but at the same time, it cannot easily recognize the self-declared Kosovo independence. Public attitudes in Bulgaria are especially negative to recognizing Kosovo independence. In a televised interactive opinion polling on one of the TV channels (BTV, Sunday, 24 Feb. 2008) about 80 % of votes were against recognition of Kosovo independence, and only about 20 % were in favour. The Bulgarian government cannot easily disregard these public attitudes. Nor can it sacrifice the future of Bulgarian-Serbian relations.

In a special statement of the Bulgarian Minister of Foreign Affairs on 18 February 2008 several blueprints could be specified. First, Bulgaria did expect such an outcome, but it refrained to welcome it. Second, the Bulgarian government is concerned about regional security and emphasized that further escalation should be avoided. Third, Bulgaria would expect from Kosovo authorities to guarantee the multiethnic and democratic character of Kosovo, which expels the *a priori* notion that Kosovo is Albanian. Furthermore, although not officially, but yet publicly, some experts and opinion-leaders in Bulgaria have voiced alert about the situation of a particular minority group in Kosovo – *Gorani*, which have an ethnic Bulgarian descent.

Further, the Bulgarian Foreign Minister has stressed that Kosovo is "sui generis case arising from the unique circumstances of the disintegration of former Yugoslavia as well as the continued period of international administration" and it does not set any precedent.<sup>334</sup>

The most probable course of actions of the Bulgarian government with regard to Kosovo independence will be "wait-and-see". The greater part of the political establishment as well as the prevailing public opinion do not favour a ready and quick recognition. Even if Bulgaria recognizes Kosovo independence, it will happen later and much reluctantly. As for many in Bulgaria Kosovo independence is a disturbing and alarming case, the situation

<sup>331</sup> Interview with Georgi Parvanov, President of Republic of Bulgaria, 24 Hours Daily, 27.12.2007, available at: <http://www.president.bg/news.php?type=5>, accessed on: 5.01.2008.

<sup>332</sup> Interview with Ivailo Kalfin, Deputy Prime Minister and Minister of Foreign Affairs, on Bulgarian National Television, 19.12.2007, available at: [http://www.mfa.bg/bg/index.php?option=com\\_content&task=view&id=16865&Itemid=225](http://www.mfa.bg/bg/index.php?option=com_content&task=view&id=16865&Itemid=225), accessed on: 5.01.2008.

<sup>333</sup> Interview with Ivailo Kalfin, Deputy Prime Minister and Minister of Foreign Affairs, for Focus News Agency, 28.12.2007, available at: [http://www.mfa.bg/bg/index.php?option=com\\_content&task=view&id=16892&Itemid=225](http://www.mfa.bg/bg/index.php?option=com_content&task=view&id=16892&Itemid=225), accessed on: 5.01.2008.

<sup>334</sup> Statement of Ivaylo Kalfin, Deputy Prime Minister and Minister of Foreign Affairs of Bulgaria after GAERC, 18 February 2008, available at: <http://www.mfa.bg/bg/files/pdf/KOSOVO-DECLARATION.pdf>, accessed on: 2.03.2008.

there will be monitored very closely from Sofia, not to say that Kosovo authorities may face a tough Bulgarian approach of conditionality in order to prevent possible escalations in Macedonia and Southern Serbia.

Generally, a perception of ambiguity and uncertainty of Bulgaria's position remains. If a more critical inquiry about Bulgaria's view(s) on the future of Kosovo is made, the following conclusions would be striking.

*A Critical Reading of Bulgaria's Position (already in historical perspective)*

The future of Kosovo presented a tough challenge to both the political establishment and the expert community in Bulgaria. And especially because of the intricacy and delicacy of the issue, all preferred evasive positions, which in their totality could be labelled as 'foreign policy mimicry'.

Outsiders (the EU and the US) believed that Bulgaria had a special know-how about Balkan problems, and Kosovo per se. This is how we could interpret various attempts for getting Bulgaria more actively involved in the process of finding a solution of the Kosovo case.

Bulgaria is an active observer of the Kosovo future negotiation process, but in fact, observing is all it does. Deputy Foreign Minister, Lyubomir Kyuchukov, was assigned a special mission to make shuttle visits to Belgrade and Pristina, and closely monitor the developments.

Many people in Bulgaria (especially NGO experts) fear an independent Kosovo. They try to advocate a multicultural vision of Kosovo, hence, a multicultural solution. Practitioners, however, regard this with extreme scepticism. And it is to practitioners that the 'foreign policy mimicry', mentioned above, could be attributed.

Condoleeza Rice during her visit in Sofia straightforwardly asked about Bulgaria's position on Kosovo and was ready to listen and take down notes. All she heard was nothing more than the formal position that Bulgaria would support any solution favourable and advantageous to both Serbs and Albanians. Reading Bulgaria's position between the lines, it says "We don't know what future Kosovo we want, but if you think you know, you can count on us for support, or at least, we will not oppose it."

Bulgaria presumes as its vital interest, unlike other countries in the region, to be equally distant from both unhealthy Serbian nationalism and blatant aspirations of Kosovar Albanians for independent territorial and institutional power. This, in essence, is the discourse, which the Bulgarian government is trying to communicate domestically to Bulgarian public as well.

A major concern of Bulgaria's expert community is that Kosovar Albanians should not govern the province on their own. Even an exotic idea appeared in public about making Kosovo a Euro-region.<sup>335</sup> This idea again spells out a pressing need for an external actor in Kosovo. Presumably, this external actor has to be the European Union, which will need to face the challenge of 'extra-territorial government', i.e. governing beyond its territory.

*Differences among main Bulgarian political parties on the future status of Kosovo*

Before the act of self-declaration of independence by Kosovo Assembly no Bulgarian political party had issued a statement or party position on the future of Kosovo. On the basis of sporadic interviews and/ or party voting on issues related to Kosovo, the following general 'camps' could be specified. Bulgarian right-wing parties like Democrats for Strong Bulgaria and Union of Democratic Forces, as well as the Movement for Rights and Freedoms, are more likely to support an independent statehood for Kosovo. NDSV and GERB seem undecided about this issue for the time being, but some of their leaders and members show willingness to recognize the act of independence. ATAKA party is the most at odds with other political parties. It takes a clearly anti-Western position, blaming the West for all the historical misfortunes on the Balkans, and ATAKA's position sounds pretty much in tune with prompts from Russia.

The Bulgarian Socialist Party has marked some changes since its positions in late 1990s when it took a clearly pro-Serbian side. Now, once in power, BSP position on Kosovo has become much more ambiguous and it is generally influenced by PES (the Party of European Socialists). At present, BSP position represents the government position since it is the major partner in the coalition government.

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<sup>335</sup> See: <http://www.standartnews.com/archive/2006/02/06/worldfolio/index.htm>, accessed on: 5.01.2008.



BSP is the only Bulgarian party that summoned a special meeting of its governing body a week after the declaration of Kosovo independence to elaborate and come up with a party position on this issue. The final communication from the meeting expressed various concerns about the unilateral declaration of independence related to regional security in Western Balkans and made proposals to Bulgarian government to align the establishment of relations with Kosovo authorities with the adoption by Kosovo parliament of a constitution and major laws according to Ahtisaari Plan, guaranteeing the multi-ethnic character of Kosovo and protecting the rights of minorities by including them in decision-making at all levels. BSP proposed that the Bulgarian government has to condition all its future relations with independent Kosovo authorities upon their fulfilment of basic democratic principles. At the same time, BSP supreme body advocates for preserving the active dialogue with Serbia and further promote good-neighbourly relations as well as fully support Serbia's European integration. In other words, BSP stance, hence government position on Kosovo independence, could be characterized as "wait-and-see", recognize Kosovo independence rather later than sooner, and, eventually, do it reluctantly rather than willingly, but still insisting on some conditions.<sup>336</sup> In general, political parties in Bulgaria, like most of NGO experts, remain disunited or 'united in silence' on what Bulgaria's foreign policy position with regard to the future status of Kosovo should be.

#### *Position of Bulgaria on the EU Prospects for Serbia*

As far as the European perspective for Serbia is concerned, the unanimity here is bigger and it stands for "keeping the EU door open to Serbia". This support, of course, is not unconditional and it is bound with observing the necessary criteria and implementing recommended reforms. Many Bulgarian experts, usually outside government, often refer to the most challenging reform Serbs will have to face – healing and reconciling Serbian nationalism. It is also comparable to Croatia's challenge of reconciling its own nationalism.

<sup>336</sup> Position of the Supreme Council of Bulgarian Socialist Party with regard to the self-declared by Kosovo authorities independence of the province, 25 February 2008, available at: <http://www.bsp.bg>, accessed on: 5.01.2008.

In sum, Bulgaria is supportive of active engagement of the EU with the future of the Western Balkans, without specifying, however, any particular stages or terms of integration. The future status of Kosovo, however, stirs this general determination and invokes cautiousness on all sides.

#### Western Balkans - Enlargement

#### Croatia\*

#### EC Progress report on Croatia: critical but objective?

In Croatia, media coverage of the Commission's Enlargement Strategy, as well as reactions from the Government, opposition parties and NGOs have been focussed on the Croatia 2007 Progress Report. Prevailing opinion is that the Commission's Report is objective, but different segments of public have rather wide spectrum of views on it, whether it is positive or critical.

The Prime Minister Sanader claims that the Report is very positive for Croatia, and that the Commission recognised progress in all areas.<sup>337</sup> On the other hand, the opposition parties are of the opinion that the European Commission gave critical opinion on the progress towards the EU.<sup>338</sup> Reactions from NGOs indicate that the Commission's Progress Report is objective, while highlights vary in line with specific interests. War veterans are concerned with political criteria, i.e. return of refugees and regional cooperation.<sup>339</sup> The coordination of GLTB NGOs focuses on limited progress in the area of protection of human minority rights and lack of national strategy and action plan for all types of discrimination.<sup>340</sup> Animal Friends Croatia highlights the necessity for implementing Directive 93/119/EC on the protection of animals at the time of slaughter or killing.<sup>341</sup>

\* **Institute for International Relations.**

<sup>337</sup> Ivo Sanader, Speech in the Parliament, 12.1.2008, quoted according to HINA (news agency), 12.1.2008.

<sup>338</sup> Ibid.

<sup>339</sup> Cf.

[http://www.dragovoljac.com/index.php?option=com\\_content&task=view&id=52&Itemid=64](http://www.dragovoljac.com/index.php?option=com_content&task=view&id=52&Itemid=64), accessed on 12 January 2008.

<sup>340</sup> Press release of the GLTB coordination Kontra, available at:

[http://kontra.hr/kontra/index.php?option=com\\_content&task=view&id=146&Itemid=51](http://kontra.hr/kontra/index.php?option=com_content&task=view&id=146&Itemid=51), last accessed on 15 January 2008.

<sup>341</sup> Animal Friends Croatia, available at:

<http://www.prijatelj-zivotinja.hr/index.hr.php?id=1113>, last accessed on 15 January 2008.

Return of refugees and minority rights are also among the most important issues (together with the reform of public administration, the reform of judiciary and the fight against corruption) identified by the Commission's report and presented in the media.<sup>342</sup>

However, interpretations of the Commission's evaluation range from very positive to rather negative. Positive evaluations are mainly focused on achievements, indicating, for instance, that the first results in the fight against corruption have been achieved.<sup>343</sup> More critical views indicate the scope of necessary reforms (policies and measures to prevent, detect and prosecute corruption), e.g. highlighting that the progress in the fight against corruption has not been sufficient.<sup>344</sup>

Summaries of foreign news agencies' comments on the Croatia Progress Report presented in domestic media indicate that Croatia was not evaluated so well<sup>345</sup> and that hopes for fast inclusion did not hold.<sup>346</sup> A look at the Commission's wording in the Report supports the critical view: the Commission estimated that there was "some progress" in most of the chapters (14) and "good progress" was recognised in 6 chapters.<sup>347</sup>

Concerning the enlargement strategy, the media focussed on Croatia's relative position compared with other candidate and potential candidate countries, the membership criteria and implications for possible date of accession.

The relatively advanced position of Croatia compared with the countries of the region was indicated in most media reports.<sup>348</sup> The statement of Commissioner Rehn that Croatia is likely to become an example for the

countries of the region was also cited in most electronic and printed media.<sup>349</sup>

The Enlargement strategy<sup>350</sup> also gave new impetus to the discussion whether the same criteria apply as in the previous rounds of enlargement and when it is likely for Croatia to join the EU. The government has already indicated that the process of enlargement has become more complex,<sup>351</sup> while the Commission keeps repeating that the same criteria apply for Croatia as in the previous round of enlargement,<sup>352</sup> but that the enlargement process continues to further improve.<sup>353</sup> The comparison between the benchmarks and transition periods in the last round of enlargement presented in the media supports the view that present candidates are subject to closer scrutiny than it was the case in the fifth enlargement,<sup>354</sup> thus making Croatia suffering for past mistakes made in the last round of enlargement.<sup>355</sup>

Despite Olli Rehn's statements that the Commission will not provide an accession date, the estimate from the Enlargement Strategy that accession negotiations with Croatia are advancing well and are entering a decisive phase serves as a basis for various forecasts. The government considers that negotiations could be finalised in 2009 and that entering the EU in 2012 is later than

<sup>342</sup> "Insufficient progress in judiciary reform and fight against corruption", in: Poslovni dnevnik (daily), 6.11.2007.

<sup>343</sup> "The first results in the fight against corruption have been accomplished", in: Vjesnik (daily), 7.11. 2007; Radio Programme "European connections": Annual Report on Croatian way to the EU, Croatian Radio, 9.11.2007.

<sup>344</sup> "Insufficient progress of Croatia in judiciary reform and fight against corruption", in: Poslovni dnevnik, 6.11.2007; and "Critics of EC because of state aid, privatization, pensions and taxes", in: Poslovni dnevnik, 7.11.2007.

<sup>345</sup> "Negative reading of the Commission's Report in Germany", in: Poslovni dnevnik, 13.11.2007.

<sup>346</sup> "UK: Croatian negotiations model for the region!", in: Poslovni dnevnik, 8.11.2007.

<sup>347</sup> Lada Stipić Niseteo (journalist), comment, on Voice of America, 18.11.2007.

<sup>348</sup> "Croatia significantly ahead of the region, but still far away from Brussels", in: Poslovni dnevnik, 2.11.2007, available at: <http://www.poslovni.hr/59096.aspx> last accessed on 15 January 2008.

<sup>349</sup> Rehn: Croatia becomes a benchmark for other countries in the region" available at: [http://www.jutarnji.hr/dogadjaji\\_dana/clanak/art-2007.11.6.komisija\\_izvjesce.96997.jl](http://www.jutarnji.hr/dogadjaji_dana/clanak/art-2007.11.6.komisija_izvjesce.96997.jl) last accessed on 15 January 2008.

<sup>350</sup> "Enlargement Strategy and Main Challenges 2007-2008", COM(2007) 663 final, EC, Brussels, 6.11.2007.

<sup>351</sup> Kolinda Grabar Kitarović, Minister of Foreign Affairs and Vladimir Drobnjak, chief negotiator at the conference "Two years after the opening of negotiations: where does Croatia stand?", Zagreb, 3.10.2007. Cited according to Jutarnji list (daily), 4.10.2007.

<sup>352</sup> Vincent Degert, Head of the EC Delegation to Croatia, at the conference "Two years after the opening of negotiations: where does Croatia stand?" Zagreb, 3.10.2007. Cited according to Jutarnji list, 4.10.2007, available at:

[http://www.jutarnji.hr/dogadjaji\\_dana/clanak/art-2007.10.4.sporni\\_pregovori.92825.jl](http://www.jutarnji.hr/dogadjaji_dana/clanak/art-2007.10.4.sporni_pregovori.92825.jl), last accessed on 18 January 2008. See also Olli Rehn: "Croatia will be the 28th EU member, if Island does not surprise us", an interview for WAZ and Jutarnji list, 11.10.2007, available at: [http://www.jutarnji.hr/dogadjaji\\_dana/clanak/art-2007.10.11.intervju\\_rehn.93666.jl](http://www.jutarnji.hr/dogadjaji_dana/clanak/art-2007.10.11.intervju_rehn.93666.jl) last accessed on 15 January 2008.

<sup>353</sup> European Commission, Enlargement Strategy 2007-2009, p. 4.

<sup>354</sup> Lada Stipić Niseteo: "Comparison – the old and the new EU waiting room: tickets are much harder to get now", on Voice of America, 15.11.2007.

<sup>355</sup> Borić: "Croatian Progress in 2007 – slower than expected", in: Poslovni dnevnik (daily), 27.12.2007.

acceptable.<sup>356</sup> Zoran Milanović, leader of the opposition, considers that the government is not realistic in its forecasts, while the government blames the EU for slower pace of negotiations than planned.<sup>357</sup>

### *EU to decide on Kosovo*

Croatia considers that solving the Kosovo issue is crucial for regional development in South-East Europe.<sup>358</sup> Following the failure of negotiations between Belgrade and Pristina, Croatia has been reluctant to reveal its preferences on the future Kosovo status.<sup>359</sup> The official Croatian position is that any solution not posing a threat to the peace is acceptable to Croatia<sup>360</sup> and that it will follow the position of the majority of EU member states.<sup>361</sup>

Croatian President Stjepan Mesić, Prime Minister Ivo Sanader and Parliament Speaker Luka Bebić met on 18 February to discuss the Kosovo declaration of independence, agreeing that Croatia would follow the European Union on the issue of recognition.<sup>362</sup> The timing of recognition is not officially set yet. The Deputy Prime Minister Đurđa Adlešić<sup>363</sup> stated that Croatia should be very cautious and should not hurry with the recognition of Kosovo in order to protect its business interests and invested capital in Serbia. A similar view is presented by Deputy Prime Minister Slobodan Uzelac, representative of the Serb minority in the Government, who considers that the time had not yet come for Croatia to recognize

Kosovo.<sup>364</sup> Nevertheless, the public Croatian Television (HTV) and commercial NOVA TV have already reported that Croatia is likely to recognise Kosovo on 15 March 2008.<sup>365</sup> The Ministry of Foreign Affairs and European Integration has not reacted to this announcement, and the members of the cabinet refused to comment it.<sup>366</sup>

### *Serbia in the EU, but after Croatia*

The Government supports democratisation of Serbia and its integration into the EU.<sup>367</sup> The focus of the media coverage of EU-Serbia relations is the progress in meeting political criteria, namely cooperation with the Hague tribunal. The most important events marking recent EU-Serbia relations are presented, such as visits of Carla del Ponte to Serbia<sup>368</sup> and initialling Stabilisation and Association Agreement.<sup>369</sup> The evaluation of Serbia's readiness for cooperation with the Hague tribunal and the concrete results of such cooperation are given special attention (such as the conviction of Serbian war criminal Milan Martić and the extradition of general Mladić). There are explicit concerns that Serbia will not have to comply with the political criteria to the same extent as Croatia, that war criminals from Serbia will not be punished.<sup>370</sup> Speeding-up of Serbia's integration towards the EU is partially seen as threat to Croatia's leading position in the region.<sup>371</sup>

<sup>356</sup> Prime Minister Sanader, Statement quoted according to HINA news agency, 6.1.2008.

<sup>357</sup> "Negotiations will not be closed by 2009", in: Jutarnji list, 21.9.2007.

<sup>358</sup> Prime Minister Sanader's statement at Croatia Summit, Dubrovnik 7.7.2007. available at government's web pages, available at:

[http://www.vlada.hr/hr/naslovnica/novosti\\_i\\_najave/2007/sr/pani/predsjednik\\_vlade\\_i\\_srbija\\_u\\_sljedecoj\\_skupini\\_kandi\\_data\\_za\\_nato\\_i\\_eu\\_kosovo\\_vitalno\\_za\\_regionalni\\_razvoj](http://www.vlada.hr/hr/naslovnica/novosti_i_najave/2007/sr/pani/predsjednik_vlade_i_srbija_u_sljedecoj_skupini_kandi_data_za_nato_i_eu_kosovo_vitalno_za_regionalni_razvoj), last accessed on 20.1.2007.

<sup>359</sup> Novi list (daily), 12. 1. 2008.

<sup>360</sup> President Mesić, speech on future of Croatia and the Balkans, 17 December 2007 - Paris, quoted according to Croatian news agency, HINA, available from president's Mesić official web pages at:

<http://www.predsjednik.hr/default.asp?mode=1&q=200712180000002&jezik=1&sid=>, last accessed on 7 January 2008.

<sup>361</sup> President Mesić at the Bertelsman conference in Berlin, quoted according to the article "We could be satisfied with the course of negotiation process with the EU", in: Poslovni dnevnik, 23.11.2007.

<sup>362</sup> Government, Press Release, 18.2.2008, available at: [http://www.vlada.hr/en/naslovnica/priopcenja\\_za\\_javnost/2008/veljaca/predsjednici\\_drzave\\_vlade\\_i\\_sabora\\_o\\_situaciji\\_u\\_regiji](http://www.vlada.hr/en/naslovnica/priopcenja_za_javnost/2008/veljaca/predsjednici_drzave_vlade_i_sabora_o_situaciji_u_regiji), last accessed on 25.2.2008.

<sup>363</sup> Đurđa Adlešić at the Press Conference, 1.3.2008.

<sup>364</sup> Slobodan Uzelac, interview for Banja Luka's Nezavisne Novine daily, 2.3.2008.

<sup>365</sup> HTV prime evening news programme, 29.2.2008, Nova TV news, 29.2.2008.

<sup>366</sup> E.g. Đurđa Adlešić at the Press Conference 1.3.2008.

<sup>367</sup> Statement of Prime Minister Sanader at Croatia Summit, Dubrovnik, 7.7.2007, cited according to the government's web page:

[http://www.vlada.hr/hr/naslovnica/novosti\\_i\\_najave/2007/sr/pani/predsjednik\\_vlade\\_i\\_srbija\\_u\\_sljedecoj\\_skupini\\_kandi\\_data\\_za\\_nato\\_i\\_eu\\_kosovo\\_vitalno\\_za\\_regionalni\\_razvoj](http://www.vlada.hr/hr/naslovnica/novosti_i_najave/2007/sr/pani/predsjednik_vlade_i_srbija_u_sljedecoj_skupini_kandi_data_za_nato_i_eu_kosovo_vitalno_za_regionalni_razvoj) last accessed on 15 January 2008.

<sup>368</sup> "Del Ponte: Serbia made no progress", in: Jutarnji list (daily), 25.10.2007.

<sup>369</sup> "Extradiction of Mladic –condition for signing the SAA with Serbia", in: Poslovni dnevnik, 10.1. 2008, available at: <http://www.poslovni.hr/66646.aspx>, last accessed on 15 January 2008.

<sup>370</sup> "Rupel wants Serbia in the EU without extradition of Mladić", in: 24sata (daily), 20.12.2008.

<sup>371</sup> "Leskovac. Croatia and Serbia will enter the EU together", Javno, news portal, 20.11.2007, available at: <http://www.javno.com/hr/hrvatska/clanak.php?id=99974> last accessed on 15 January 2008.

## Cyprus\*

## Focus on Turkey's possible future accession

In relation to the EU Enlargement process, the most pertinent issue in Cyprus is the increasingly convoluted prospect of Turkey's possible future accession. In this connection, the Republic of Cyprus fully supports the points laid out in the Annual *Strategy Document* on Enlargement of the European Commission, dated 11 November 2007.

More specifically, the Government of the Republic supports the *Strategy Document's* perceptions behind its recommendations to Turkey. The *Document* recognises the progress made by Turkey in such areas as women's and children's rights and the fight against torture, as well as the progress made in the economic field. Nevertheless, it points out that, "the implementation of reforms has been uneven and has slowed down since 2005. In the past year, Turkey went through a constitutional crisis concerning the election of the President of the Republic, which led to early parliamentary elections. The military made public statements beyond its remit"<sup>372</sup>. Our interlocutors in the Government of Cyprus favourably noted the *Document's* insistence that Turkey needs to renew the momentum of political reforms, and that significant improvement needs to be made in relation to such issues as the freedom of expression, the rights of non-Muslim religious communities, the fight against corruption, judicial reform, trade union rights, women's and children's rights, as well as the accountability of the public administration.<sup>373</sup> The Cyprus Government welcomed as well the Commission's position that Turkey needs to enhance the rights and freedoms of the predominantly Kurdish population of the South-East. Needless to say, these Cypriot responses stem from the Republic's long endorsement of the thesis that Turkey's "Europeanization" holds the promise to facilitate the normalization of Cyprus-Turkey

relations.<sup>374</sup> It is worth recalling here that the EU has been calling for some time for this normalization, most notably in its "Counter-declaration" of 21 September 2005.<sup>375</sup>

As far as Turkey's economy is concerned, the *Strategy Document* stresses that further structural economic reforms and fiscal consolidation are required, as well as further economic and social development in the South-East. Finally, the position of the Cyprus Government was reflected in the *Document's* position that good neighbourly relations are required as well as that Turkey is expected to ensure full, non-discriminatory implementation of the Additional Protocol to the Association Agreement.<sup>376</sup>

Therefore, the reactions of the Cyprus Government to the *Strategy Document* were very positive, the official position being that Turkey must fulfil these obligations as outlined in the *Document*.

Similarly, the Government of the Republic of Cyprus fully supports the General Affairs and External Relations Council (GAERC) Conclusions of 10 December 2007, which stress the need for these reforms in Turkey. Most importantly for Cyprus, the GAERC Conclusions stipulate that, "in line with the Negotiating Framework and previous European Council and Council conclusions, Turkey needs to unequivocally commit to good neighbourly relations and to the peaceful settlement of disputes in accordance with the United Nations Charter, including, if necessary, jurisdiction of the International Court of Justice. In this context, any threat or action which could negatively affect good neighbourly relations and the peaceful settlement of disputes should be avoided".<sup>377</sup>

The Cyprus Government further welcomed the Presidency Conclusions of 14 December 2007, where reference is made to the need to endorse the GAERC Conclusions: "The European Council takes note of the communication from the Commission on the

\* Cyprus Institute for Mediterranean, European and International Studies.

<sup>372</sup> Commission of the European Communities, "Enlargement Strategies and Main Challenges 2007-2008", Communication from the Commission to the European Parliament and the Council, COM (2007) 663 final, Brussels, 6 November 2007.

<sup>373</sup> Interviews with Cypriot civil servants conducted by Christina Ioannou in mid-January 2008.

<sup>374</sup> Interviews with Cypriot civil servants, conducted by Christina Ioannou and Giorgos Kentas, on two occasions, in mid-January 2008.

<sup>375</sup> This "Counter-declaration" (see note 15 below) was issued in response to Turkey's "declaration" of 29 July 2005, to the effect that it does not recognize the Republic of Cyprus!

<sup>376</sup> Ibid.

<sup>377</sup> Council of the European Union, "Press Release, General Affairs and External Relations", 16326/07 (Presse 288), Provisional Version, Brussels, 10 December 2007.

Enlargement Strategy and endorses the General Affairs and External Relations Council conclusions of 10 December”.<sup>378</sup>

Finally, it is worth emphasizing that the Government of Cyprus, followed by numerous academics and opinion-makers, keeps reiterating the importance of the 21 September 2005 Declaration by the European Community and the member states, and especially paragraph 5 of the Declaration, which states: “Recognition of all Member States is a necessary component of the accession process. Accordingly, the EU underlines the importance it attaches to the normalisation of relations between Turkey and all EU Member States, as soon as possible”<sup>379</sup>.

As regards the convoluted issue of Kosovo, the Government of the Republic of Cyprus had made it clear for some time that it opposes the unilateral declaration of independence. Cyprus insists that no such move could be made without United Nations (UN) backing. According to Cyprus Government spokesman, Vasilis Palmas, Nicosia will not recognise the unilateral independence of Kosovo, even if all the other member states of the EU agree towards that direction.<sup>380</sup>

This position of the Cyprus Government is shared widely by the country’s political parties, its political and academic elites, and by Cypriot public opinion. It is based on the fear, or rather the suspicion, that a unilateral declaration of independence (UDI) by Kosovo might create a deleterious precedent both in Europe and beyond. An *attempt* might *possibly* be made to use Kosovo’s UDI in the case of Cyprus, with regard to the self-declared “Turkish Republic of Northern Cyprus” (“TRNC”).

To be sure, the November 1983 UDI by the Turkey-occupied “TRNC” has only been recognised by Ankara. It was condemned immediately by the UN Security Council and by the European Community. Thus, the UN Security Council, by SC Resolution 541 (1983), stated that it “...1. Deplores the declaration of the Turkish Cypriot authorities of the purported secession of part of the Republic of Cyprus; 2. Considers the declaration referred to above as *legally invalid and calls for its withdrawal*; ...7.

<sup>378</sup> Council of the European Union, “Brussels European Council 14 December 2007: Presidency Conclusions”, 16616/07, Brussels, 14 December 2007.

<sup>379</sup> European Community, “EU Enlargement: Turkey-Declaration by European Community and Member States”, Brussels, 21 September 2007.

<sup>380</sup> Phileleftheros (Nicosia daily), 4 January 2008.

Calls upon all States not to recognize any Cypriot state other than the Republic of Cyprus...” (emphasis added). One day after the UDI by the regime of Cyprus’s occupied territory, the then European Community emphatically condemned it: “The ten Member States of the European Community are deeply concerned by the declaration purporting to establish a `Turkish Republic of Northern Cyprus` as an independent State. They reject this declaration which is in disregard of successive resolutions of the United Nations. The Ten reiterate their unconditional support for the independence, sovereignty, territorial integrity and unity of the Republic of Cyprus”.<sup>381</sup> Then, six months later, the Security Council, by Resolution 550 (1984), reaffirmed the condemnation as per resolution 541, demanding its urgent implementation. Turkey has not respected any of these, or any other, Cyprus-related UN resolutions and EC/EU decisions. Hence the condemned as illegal occupation of northern Cyprus continues for almost 34 years. Therefore, the Government of the Republic of Cyprus, the country’s political elites and Cypriot public opinion seem to us justified in opposing a Kosovo UDI and upholding the principles of the UN Charter and associated norms of international law. For, otherwise, their position would be self-contradictory.

In response to the concerns of Cyprus and other fellow-member states,<sup>382</sup> the last European Council has tried to appease their governments, by outlining in its *Conclusions* that, “the European Council underlined its conviction that resolving the pending status of Kosovo constitutes a *sui generis* case that does not set any precedent”.<sup>383</sup> Slovenia, through its Minister of Foreign Affairs, Dimitrij Rupel, stated, some days before taking over the Presidency of the EU, that it would try to convince Cyprus that Kosovo is indeed a *sui generis* case.<sup>384</sup>

The position of Cyprus vis-à-vis Kosovo was reiterated by Cypriot Foreign Minister, Erato Kozakou Markoullis, during her visits to Finland and Estonia in late January-early February 2008. In Helsinki, in fact, the Cypriot Foreign Minister disassociated Cyprus’s position on Kosovo from the Cyprus case, insisting, during

<sup>381</sup> Bulletin of the European Communities 16, no.11 (Brussels: General Secretariat, Commission of the European Communities, 1983), point 2.4.1, 68.

<sup>382</sup> Other Member States sharing Cyprus’s concerns include Greece, Romania and Spain.

<sup>383</sup> Presidency Conclusions, op.cit.

<sup>384</sup> Phileleftheros, 21 December 2007.



a press conference with her Finnish counterpart, Mr Kanerva: "Our position on Kosovo focuses on the need to avoid setting a precedent in international relations by-passing the UN Security Council".<sup>385</sup>

A few days later, concluding her visit to Tallinn, Ms Kozakou Markoullis, held a press conference with the Foreign Minister of Estonia, Mr Urmas Paet. Mr Paet stated that "Estonia fully respects the position of the Republic of Cyprus on the non-recognition of Kosovo's unilateral declaration of independence, an issue that falls within the jurisdiction of each state". On this occasion, the Cypriot Minister of Foreign Affairs emphasized once again that "the Republic of Cyprus will not recognize the independence of Kosovo since this would create a precedent in international relations and *would defy the role of the United Nations Security*".<sup>386</sup>

Finally, as regards the European Union's civilian mission to Kosovo, the Republic of Cyprus has decided that it should not participate in it.<sup>387</sup>

#### Western Balkans - Enlargement

#### Czech Republic\*

#### Debate still going on on the two prominent topics: Kosovo and Turkey

From a general perspective, the Czech Republic has been a consistent supporter of further enlargement. Although some Czech political forces oppose Turkey's accession, there is not a shade of doubt about the need to embrace the countries of the Western Balkans as new members. In recent months, two topics gained prominence in the public discourse on South-Eastern Europe: The first was, unsurprisingly, the future status of Kosovo; the second was the Turkish membership.

In regard to Serbia and Kosovo, the Czech Republic found itself in a very delicate position: On the one hand, the current government is inclined to follow the American lead in acknowledging Kosovo's independence, as soon as Kosovar leaders decide to declare the independence. On the other hand, a great number of factors have the opposite effect:

First, the Czechs have traditionally had strong ties to the nations of Yugoslavia, and although the Czechs' number one favourite nation in the region is Croatia, Serbia also evokes positive connotations among the public. Secondly, although constitutionally rather weak, President Klaus, who belongs to the most emphatic supporters of Serbia, also plays an important role in shaping Czech foreign policy. Finally, the Czech position is smoothed down in order to become more compatible with that of Slovakia, which stands out as one of the strongest critics of the unilateral declaration of Kosovo's independence. Interestingly, although the Czech Republic has not experienced any separatist tendencies, it remains quite vigilant in this respect. A striking example of connecting the Serbian experience with the Czech one is the allusion to the separation of Kosovo as a kind of Munich Agreement, which is, for Czechs, one of the greatest traumas of the twentieth century.<sup>388</sup>

This dilemma is particularly palpable at the meetings of the Visegrad Countries, where the Czech Republic usually tries to placate its partners while maintaining enough room for manoeuvre. This is demonstrated nicely by the following toothless statement by Prime Minister Topolánek: "We do not have identical views, but on the positive side, we know each other's opinions, which will be presented at the Council meeting... We insist that the independence of Kosovo must be a managed process and Serbia must not be excluded therefrom."<sup>389</sup> The resulting tendency in Czech diplomacy is to support Kosovo's independence while strongly urging the EU to find a common position. A unilateral declaration of independence is, therefore, seen as a nightmare that would not only fetch a heavy blow to the EU's unity but would also shatter the fragile cooperation of the Visegrad Four, not to mention the consequences for Czech domestic politics. The result is that the Czech diplomacy has repeatedly declared its readiness to acknowledge Kosovo's independence but only most EU countries have done so, hence making the step less visible.

The debate about Turkey, though much less heated than in many other EU countries, has been slowly rising to prominence in the Czech

<sup>385</sup> "Cyprus will not recognize an independent Kosovo", 31 January 2008, Cyprus Ministry of Foreign Affairs Website, available at: [www.mfa.gov.cy](http://www.mfa.gov.cy), last access: 04.03.2008.

<sup>386</sup> Ibid., 4 February 2008, emphasis added.

<sup>387</sup> Eleftherotypia (Athens daily), 5 January 2008.

\* [Institute of International Relations](#).

<sup>388</sup> Přirovnáváno k Mnichovu (Compared to Munich), Právo, 17 October 2007.

<sup>389</sup> Země V4 nejsou jednotné v otázce nezávislosti Kosova (V4 Countries not united in the question of Kosovo independence), Právo, 10 December 2007.

Republic as well. According to impugners of Turkey's EU entry, a weird coalition has been formed in Czech politics to support Turkey – its members ranging from naïve Eurooptimists on the political left to Eurosceptics on the right.<sup>390</sup> Even though this statement may be somewhat exaggerated, it is right in pointing out a rare quality in the Czech discourse on the EU, namely that of agreement between the President, the Government and much of the political spectrum. More or less positive remarks on the Turkish chances for entry were uttered by the Prime Minister, the President, and the shadow Foreign Minister alike. The discussion was, however, fuelled more by external influences, such as the visit of Prime Minister Erdogan to the Czech Republic (more declarations of support from the Czech side)<sup>391</sup> or the visit of Prime Minister Topolánek to France (disagreement with President Sarkozy).<sup>392</sup>

The outcome of the debate on Turkey is a gradual shift in attitudes of political elites to a more welcoming stance to Turkish membership. Nevertheless, this movement is not seconded by the public, the majority of which remains rather wary. This can have three repercussions: The first, and least probable, is the rise of a xenophobic party which would respond to people's fears by invoking nationalism and xenophobia. The second may be a gradual change of the public opinion in favour of Turkey. However, the government is currently doing nothing to assuage the public's worries about Turkish EU entry. Therefore, the third possible result is more probable – a change in the stance of political elites and a reversion to a “no” to Turkish full-fledged membership.

#### Western Balkans - Enlargement

#### Denmark\*

#### Former Yugoslavia – major challenge for EU

#### *The Western Balkans EU-accession*

<sup>390</sup> Turecko může ohrozit Unii, těší se český prezident ? (Does the Czech President hope that Turkey can imperil the Union ?), Právo, 29 November 2007.

<sup>391</sup> See, e.g. Topolánek: Turecko do Evropské unie patří (Topolánek: Turkey belongs in the European Union), Hospodářské noviny, 16 November 2007.

<sup>392</sup> Sarkozy zopakoval Topolánkovi výhrady k radaru a Turecku v EU (Sarkozy repeated to Topolánek his reservations in regard to the radar and Turkey in EU), Právo, 9 October 2007.

\* Danish Institute for International Studies.

The Danish Parliament strongly supports the Commission's strategy paper. Denmark considers it to be in Europe's interest to support political and economic development in the Western Balkans. The overall goal for the Danish policy in the region is to contribute to a positive political, economic and social development that helps to promote the region's accession to the EU and NATO, especially concerning Bosnia-Herzegovina, Serbia and Kosovo. Especially the principle of own merits, clear commitments and clarity concerning the steps of the accession process are emphasised by the Danish Foreign Ministry<sup>393</sup>.

The Danish Parliament stands by the EU-membership perspective for the countries in the Western Balkans. However, it is clear that the former Yugoslavia has developed into a major challenge for the EU, especially regarding the Kosovo, Bosnia-Herzegovina, FYROM and Albania. Only Croatia and, to a limited extent, Montenegro are considered a 'success story'<sup>394</sup>.

#### *Turkish membership*

While there is broad parliamentary consensus for a future EU-accession of countries in the Western Balkans, the discussion of a Turkish membership is highly controversial. The issue of Turkish membership of the EU has been widely debated in Denmark in 2007. According to the Danish newspaper, Jyllandsposten, an overwhelming majority in the Parliament, including the government and the main opposition parties, supports the negotiations with Turkey, public opposition to Turkish membership has been growing and a large majority rejects membership prospects for Turkey. A poll from July 2007 demonstrated that 55% of the population rejects Turkish EU-membership while only 29% are in favour<sup>395</sup>.

The right-wing Danish People's Party rejects the idea of Turkish EU-membership and calls for a halt to the negotiation process as well as a referendum on the matter. The parties supporting the negotiation process reject such

<sup>393</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/da/menu/Udenrigspolitik/LandeOgRegioner/Europa/VestligeBalkan/DanmarksStrategi/> (last access: 25.01.08).

<sup>394</sup> Newsletter from the European Commission Representation in Denmark, available at: <http://www.ugebrevet-europa.dk/> (last access: 25.01.08).

<sup>395</sup> Jyllandsposten – Flertallet siger nej til Tyrkiet i EU, 3 January 2007, available at: [http://jp.dk/arkiv/?id=992101&jp\\_user\\_id=58404G4ABCF9E4648E](http://jp.dk/arkiv/?id=992101&jp_user_id=58404G4ABCF9E4648E) (last access: 25.01.08).

a halt to negotiations and emphasize that Turkish membership of the EU has a long timeframe since Turkey must fulfil the Copenhagen Criteria before the question of membership becomes relevant. As such, the EU-spokesperson for the main opposition party, the Social Democrats, has underlined that the Party will only decide its final position on whether or not Turkey should be offered full membership once negotiations are completed (Ibid).

### *Independence for Kosovo*

The question of Kosovo's future status was widely debated in Denmark in 2007. The Danish government has clearly asserted that a negotiated solution between Serbia and Kosovo cannot be reached without external help and support<sup>396</sup>. In December 2007, Denmark therefore declared its willingness to back an independent Kosovo even if a UN resolution cannot be agreed upon. The Danish People Party, however, has asserted that independence for Kosovo would be a breach of the UN charter<sup>397</sup>.

The public debate on the issue has also been extensive. Some have argued that Kosovo is in its full right to demand independence and that such independence is inevitable<sup>398</sup> and that it is time for the EU to demonstrate its ability to speak with one voice if it is to be seen as a credible foreign policy actor<sup>399</sup>. Others have argued that independence for Kosovo could open a 'Pandora's box' of secessions<sup>400</sup>, which might increase the risk of conflicts and war elsewhere, for example between Russia and Georgia. In order to avoid this, it is argued that the EU must insist that Kosovo does not unilaterally declare independence.

<sup>396</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/nr/exeres/759f003f-9456-435e-a98c-1d333327ec5a.htm> (last access: 25.01.08).

<sup>397</sup> Information – Udfordringen Kosovo, 11 December 2007, available at: <http://information.dk/151648> (last access: 25.01.08).

<sup>398</sup> Information – Udfordringen Kosovo, 11 December 2007, available at: <http://www.information.dk/151648> (last access: 01.02.08).

<sup>399</sup> Information – EU til eksamen, 8 December 2007, available at: <http://www.information.dk/151571> (last access: 01.02.08); Weekendavisen – Kulden vokser ved Østfronten, 7 December 2007, available at: <http://www.weekendavisen.dk/apps/pbcs.dll/article?AID=/20071207/SAMFUND02/712070070&SearchID=73305236016505> (last access: 01.02.07).

<sup>400</sup> Eyvind Hvenekilde Seim: Kosovo behøver et historisk kompromis, in: Information, available at: <http://www.information.dk/152516> (last access: 01.02.08).

Kosovo is the largest recipient of aid under Denmark's Neighbourhood Programme. The aid is concentrated on economic development, employment as well as improving the conditions for internally displaced persons, minorities and marginalised groups<sup>401</sup>.

## Western Balkans - Enlargement

### Estonia\*

#### Holding the Balkans on the Euro-Atlantic course

The Estonian government's firm support to enlargement remains unchanged. Estonian officials insist that enlargement should continue according to the principles agreed to in December 2006.<sup>402</sup> A clear accession prospect should be given to candidates and potential candidate countries in order to retain their motivation to carry out political and economic reforms, while also retaining stringent conditionality.<sup>403</sup> Internal reforms, however, are only part of the rationale. The government also argues that „a larger Union of like-minded states will have more influence in the globalizing world and will be in a better position to benefit from globalization.”<sup>404</sup> Assuming a somewhat didactic position in relation to the candidate countries, and emphasizing its own success in carrying out painful reforms, Estonia calls on the candidates to do their homework.

With regard to the Western Balkans, the above translates into clear support for the accession of Croatia, and commitment to the idea of holding the Balkan region on a Euro-Atlantic course. The government argues that under the Slovenian presidency, the enlargement process should be accelerated. Estonia has actively supported the conclusion of visa facilitation and readmission agreement with Bosnia and Herzegovina, Macedonia, Montenegro and Serbia. It calls on Bosnia and Herzegovina to implement police reform so

<sup>401</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/nr/exeres/759f003f-9456-435e-a98c-1d333327ec5a.htm> (last access: 25.01.08).

\* University of Tartu.

<sup>402</sup> Ministry of Foreign Affairs, Press Release, "Paet: ELI laienemine peab jätkuma kokkulepidud alustel", 10.12.2008, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>403</sup> Priorities of the Estonian Government during Portuguese Presidency, 23.07.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>404</sup> "Summary of the Government's priorities in the EU during the Slovenian presidency", available at: [www.rigikantslei.ee](http://www.rigikantslei.ee) (last access: 04.03.2008).

that Stabilization and Association Agreements could be signed. The government regards Serbia's continued integration into the European Union as the „key to stable development for Serbia and the entire region.”<sup>405</sup> The outcome of the second round of presidential elections is portrayed as a “choice between two paths—the path to integration and the EU, or the path that continues in relative isolation.”<sup>406</sup> According to Foreign Minister Paet, Serbia should be given „real, genuine support” to help it “overcome the shadows of its past and to foster economic and social development, provided that Serbia begins to fully co-operate with the [International Criminal Tribunal for the former Yugoslavia].”<sup>407</sup>

Estonia recognized Kosovo's independence on February 21, 2008. Over the preceding months, the government had repeatedly expressed its support to the status settlement proposed by UN Special Envoy of the Secretary General Martti Ahtisaari and declared its willingness to recognize Kosovo's independence, given that all hopes of reaching a negotiated settlement had been exhausted.<sup>408</sup> Foreign Minister Paet emphasized the fact that in its declaration of independence, the Kosovo Assembly confirmed its readiness to implement the Ahtisaari plan, including its provisions for the protection of minorities. Prior to the declaration of independence, statements by Estonia's top officials revealed a concern about the EU's ability to retain unity, to assume leadership and launch and run a civilian mission. The unity of NATO and EU is also regarded as an issue of „utmost significance”: Estonian defence forces have participated in the NATO peacekeeping force in Kosovo (KFOR) since 1999; now, Estonia has pledged to send experts to the EU civilian mission.

The question of how the principles of state sovereignty and self-determination of nations relate to one another in this complicated case has been discussed by several experts and commentators in the Estonian media.

<sup>405</sup> Ministry of Foreign Affairs, Press Release, “Paet: Serbia's Course to the European Union is the key to stable development in the region”, 29.01.2008, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>406</sup> Ibid.

<sup>407</sup> Ministry of Foreign Affairs, Press Release, “Paet: EU must demonstrate genuine support for Serbia”, 19.10.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>408</sup> Speech by Minister of Foreign Affairs Urmas Paet to the Riigikogu, 20.02.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

Independent analysts have been much more ready to acknowledge the moral and legal ambiguity of the case than government officials: some argue that Kosovo's independence will not rest on the “moral inevitability” of this solution but instead on “the absence of real alternatives.”<sup>409</sup> Others have warned that granting independence to Kosovo will push Serbia too far – perhaps into an ever-closer alliance with an increasingly anti-Western Russia.<sup>410</sup> Not surprisingly, Estonian officials and commentators reject the Russian view, explicitly advanced by President Putin, that the solution of the Kosovo question should be regarded as a universal precedent applicable to solving frozen conflicts in the post-Soviet space.

## Western Balkans - Enlargement

### Finland\*

#### The future of EU enlargement: Finland's special status in the process

Enlargement is one of the central goals of Finnish EU politics and thus Finland has consistently supported the enlargement process. Along with the enlargement process, bilateral relations with new member states have become closer.<sup>411</sup> According to the Finnish point of view, there is no need to restart discussing the enlargement policies of the Union. The Finnish position on the Commission's enlargement strategy and progress reports is the following: 1) the enlargement strategy of the Commission is consistent with the Finnish goals regarding enlargement. 2) The intention of the Commission to pay more attention to public administration and judicial systems is seen as a positive issue in Finland. 3) Finland also shares the position of the Commission regarding the progress of Croatia, Turkey, Macedonia/FYROM, Albania, Bosnia-Herzegovina, Montenegro, Serbia and Kosovo.<sup>412</sup> Finland has traditionally emphasized progress in fulfilling the

<sup>409</sup> Lauri Mälksoo, “Kosovo ja enesemääramisõiguse tulevik”, Eesti Päevaleht, 05.07.2007.

<sup>410</sup> Mihkel Mutt, “Serbia liigne nõökimine pole mõistlik”, Postimees, 30.01.2008.

\* Finnish Institute of International Affairs.

<sup>411</sup> Ministry for Foreign Affairs, available at: <http://formin.finland.fi/public/default.aspx?nodeid=15624&contentlan=1&culture=fi-FI>.

<sup>412</sup> Ministry for Foreign Affairs, Document UM2007-02864, 30.11.2007.



commitments both in the enlargement negotiations as in the SAA process.<sup>413</sup>

In addition, Finland has a special status in this process in that a Finn takes care of the Enlargement Commissioner's portfolio. Indeed, this is why the Finnish media seems to pay more attention on news regarding enlargement than what is done in other countries. Commissioner Olli Rehn's words on the positive affects of the enlargement process regarding stability, welfare and peace in Europe have been heard repeatedly in Finnish media.<sup>414</sup> In addition, Commissioner Rehn is a very appreciated figure in Finland and thus enjoys public popularity. Regarding different competence areas, EU's migration policy is related to this topic and concerns Finland (as well as whole Europe) for demographic reasons.<sup>415</sup>

After the Commission's annual strategy document of 6 November 2007 on EU enlargement, the media emphasized how the reform process in Turkey had not achieved expected results, especially regarding the famous article 301 of the penal code. Regarding the Balkans, the biggest obstacles mentioned were corruption and crime. The biggest newspaper in Finland clearly stated that the "Balkan mafia" threatens the security in Europe.<sup>416</sup> An interesting point to notice is that even though Croatia has proceeded most in the process of negotiations, only little media coverage has been given to Croatia.

According to the Eurobarometer, 59% of Finns are against further enlargement of the European Union to include other countries in coming years, whereas 41% are in favour of further enlargement. But when asked about the impact of the May 2004 enlargement, only 27% think that the impact has been negative. Compared to other EU27 member states, the Finns seem to be more against the future enlargement in general. In EU-27, 49% were against further enlargement.<sup>417</sup> The reason

might be the Finnish awareness of the fact that during the first ten years of membership, Finland was in "balance" with the EU budget. Finland's position within the EU's financial framework has, however, changed. When Finland joined the Union, only three states out of 15 were poorer than Finland. Today 18 out of 27 member states are poorer than Finland.<sup>418</sup>

#### *Status of Kosovo and the future of EU-Serbia relations*

The future of Kosovo is being followed very carefully in Finland also due to the fact that the former Finnish President Martti Ahtisaari has worked as a Special Envoy for the Future Status Process for Kosovo since November 2005 and the implementation of the Ahtisaari plan has now started. Finland is also known as an advocate for civilian crisis management and peacekeeping activities. In addition, the Finnish Commissioner for Enlargement, Olli Rehn has a noticeable role in supporting Kosovo's EU path. Finally, as Finland holds the OSCE Presidency in 2008, the decision of keeping 1000 OSCE observers in Kosovo means more work. This is due to the fact that on the demand of Russia and Serbia, the mission continues only one month at a time. In other words, Finland has to persuade Russia and Serbia once a month to continue the mission. The OSCE mission does not have such a big role in Kosovo than for instance NATO-led crisis management troops or civil administration (currently under UN's subordination but the EU about to take over in the summer), but it is stressed in Finland that the OSCE is the only place, in addition to the UN, where Russia and the West are on the same side of the table.<sup>419</sup>

Finland is to recognize Kosovo's independence on 7<sup>th</sup> of March. At the same time, Finland wants to support keeping the democratic forces in power in Serbia.<sup>420</sup> A special concern is the rising nationalism in Serbia. The credibility of the ESDP is much dependent on the way things are going to develop in Kosovo and it is thus seen as a touchstone for the EU's common foreign and security policy.<sup>421</sup> Finland

<sup>413</sup> Lindroos-Binham, Merja, Head of the Unit for Enlargement, Finnish Ministry for Foreign Affairs, E-mail, 24.1.2007.

<sup>414</sup> Rehn, Olli, Enlargement Commissioner, Speech, 15.11.2007, available at:

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/724&format=HTML&aged=0&language=FI&guiLanguage=en>.

<sup>415</sup> Hulkkonen, Minna, Counsel to the Grand Committee, Meeting, 29.1.2008.

<sup>416</sup> Helsingin Sanomat, Article, 6.11.2007.

<sup>417</sup> Standard Eurobarometer 67, available at:

[http://ec.europa.eu/public\\_opinion/archives/eb/eb68/eb68\\_en.htm](http://ec.europa.eu/public_opinion/archives/eb/eb68/eb68_en.htm) and

[http://ec.europa.eu/public\\_opinion/archives/eb/eb67/eb67\\_en.pdf](http://ec.europa.eu/public_opinion/archives/eb/eb67/eb67_en.pdf).

<sup>418</sup> Kiviniemi, Mari, Minister of Public Administration and Local Government, Speech, 5.11.2007, available at:

[http://www.vm.fi/vm/fi/03\\_tiedotteet\\_ja\\_puheet/02\\_puheet/20071105Hallin/name.jsp](http://www.vm.fi/vm/fi/03_tiedotteet_ja_puheet/02_puheet/20071105Hallin/name.jsp).

<sup>419</sup> Helsingin Sanomat, Article, 29.12.2007.

<sup>420</sup> Aamulehti Newspaper, p. A12, 29.1.2008.

<sup>421</sup> Tamminen, Tanja, E-mail, 24.1.2008.



is expected to send 60-70 troops to the area in the context of EULEX.<sup>422</sup> At the moment, Finland has 450 peacekeepers in Kosovo.<sup>423</sup> The coordination between EULEX, UNMIK and KFOR is considered as the biggest problem in the Kosovo process.

#### Western Balkans - Enlargement

#### France\*

#### Turkey dominates debate on enlargement

##### *Reactions to the strategy document on EU enlargement*

French observers generally highlighted the mixed progress made by most candidate countries, and in particular the Balkan states, which would slow the enlargement process by a considerable amount. Croatia is touted as a prime example for other candidate countries and confirms its status as the “next country to become a member of the EU”. French newspapers, however, insisted on the corruption problems which make the accession prospects slower than Zagreb might expect. The newspapers also emphasized the fact that this issue also implicates other candidate countries.

In France, debates on enlargement are still dominated by Turkey’s accession. Thus, the publication of the strategy document was in many respects an occasion to tackle this issue. Le Figaro insisted on the fact that, according to the Commission report, Turkey’s progress was rather limited.<sup>424</sup> France is opposed to the opening of negotiations with Turkey on institutional, budgetary or monetary issues, because it would imply that accession is taken for granted.

Yet, on this issue, the executive position is rather ambiguous. President Sarkozy repeatedly made his opinion clear, claiming that “Turkey does not have its place in Europe”. However, France would not be opposed to the opening of Turkey/EU negotiation chapters, President Sarkozy explained in August 2007: “If the 27 undertake this crucial discussion about the future of our Union, France will not object to new chapters in the negotiations between the Union and

Turkey being opened in the coming months and years, provided these chapters are compatible with both possible visions of the future of their relations: either accession, or a very close association that stops short of accession”.<sup>425</sup> However, France did not accept the negotiations on the chapters which imply an adhesion (e.g. the Euro). Thus, it remains unclear whether the final purpose of the negotiations would be to make Turkey a full-fledged member or rather a privileged partner of the EU.

Given the above, the proposal formulated by the Secretary of State for European Affairs, Jean-Pierre Jouyet, appears to be ambiguous. Mr. Jouyet suggested that article 88-5 of the French Constitution, which renders a referendum compulsory prior to any future enlargement of the EU, should be suppressed. In response, President Sarkozy implied that this was a personal point of view and that he would wait for the Balladur Commission Report before making his own decision. However, Foreign Affairs Minister Kouchner suggested that Nicolas Sarkozy was in fact also involved in Jouyet’s proposal.<sup>426</sup> According to Mr. Kouchner, “if we asked the French public whether Serbia should join the EU, they would say no”. The Balladur Commission Report confirmed this perspective, suggesting that the President may choose between a referendum and the Congressional procedure, but also insinuating that the latter would ensure a serious and in-depth debate. Socialist Member of European Parliament Bernard Poignant seemed to support the suppression of article 88-5 and considered it to be “an idea to take seriously”.<sup>427</sup>

The strongest opposition to the proposal comes from the eurosceptic right-wing. French MP Nicolas Dupont-Aignant protested against what he believed to be a “scandalous denial” on Nicolas Sarkozy’s part, while the Mouvement pour la France (lead by Philippe de Villiers) considered such “an institutional bricolage to have only one goal: preventing the French people from expressing their point of view on Turkey’s accession”.<sup>428</sup>

<sup>422</sup> Kinnunen, Mikko, Director, Civilian Crisis Management, Ministry for Foreign Affairs, Meeting, 25.1.2008.

<sup>423</sup> Helsingin Sanomat, Article, 11.1.2008.

\* Centre européen de Sciences Po.

<sup>424</sup> Le Figaro, 07/11/2007.

<sup>425</sup> Inaugural speech of the 15th Ambassadors’ Conference, 27/08/2007.

<sup>426</sup> Interview, Grand Jury RTL Le Monde.

<sup>427</sup> Communiqué de Presse de Bernard Poignant.

<sup>428</sup> Le Nouvel Observateur, 15/09/2007.

*Reactions to the status of Kosovo and position on EU-Serbian relations*

In January 2008, the Serbian elections brought Kosovo's status back under public scrutiny in France. The official French position seems relatively clear on this issue, even though the word "independence" has rarely been pronounced, with the exception of the Secretary of State for European Affairs Jouyet, who declared that "independence was inescapable".<sup>429</sup> President Sarkozy asked the EU to support "in unity and firmly" the "only practical solution in Kosovo, the one which is on the table". By this he was referring implicitly to the proposal of UN mediator M. Ahtisaari, to set up independence for Kosovo under international supervision. "The status quo is no longer a viable solution", Sarkozy declared in his Speech to the Diplomatic Corps on the occasion of the New Year.<sup>430</sup> Finally, following Kosovo's declaration of independence, the French President recognised "a free and independent state", in a letter addressed to his Kosovian counterpart on February 17, 2008.

The opposition had not involved itself too much in this debate, with the exception of former Minister Jean-Pierre Chevènement, who believes that an independent Kosovo would render the EU unstable and create a conflict in its relations with Russia.<sup>431</sup> Le Monde has also recently criticized the French position, albeit for a different reason. The newspaper notes that Sarkozy let it be understood that the EU is no longer insisting on Belgrade's cooperation with the International Criminal Tribunal of The Hague. Thus, he feared that attempting to find a solution to resolve the Kosovo crisis would lead the EU to "console" Serbia and abandon the principles of justice that constitutes its very foundations.<sup>432</sup>

According to the French press and some politicians, Kosovo's status may well be the last obstacle to Serbia's accession to the EU. During a visit to Serbia, Foreign Minister Kouchner told his Serbian counterpart that "France will be a special ally for your candidacy. Yet this will not be possible until there is a definitive solution to the Kosovo problem". He also added that it was the EU's responsibility to formulate a European position,

<sup>429</sup> Interview with French TV Channel, Itélé, 12/06/2008.

<sup>430</sup> Available at: [www.elysee.fr/download/?mode=press&filename=Speech\\_to\\_the\\_Diplomatic\\_Corps\\_2\\_2\\_.pdf](http://www.elysee.fr/download/?mode=press&filename=Speech_to_the_Diplomatic_Corps_2_2_.pdf).

<sup>431</sup> Le Figaro, 11/12/2007.

<sup>432</sup> Le Monde, 16/12/2007.

distinct from that of Russia and the US. This idea accurately summarizes the general feeling amongst French observers, who consider the Kosovo question to be a crucial challenge for the European security and defence policy. The aim is to understand whether the EU has already learned from past mistakes.<sup>433</sup>

**Western Balkans - Enlargement**

**Germany\***

**Focus on Turkey and Kosovo**

*Need for stronger reform commitment in the Western Balkans*

Germany continues to support the accession of the Western Balkan states to the European Union. As Chancellor Merkel said, "the future of the Western Balkans lies within the EU".<sup>434</sup> However, while many important steps have been taken already, substantial reforms especially in the areas of justice and administration have not yet been devised. Here, "every state forges its own destiny".<sup>435</sup> The accession conference with Croatia under the German EU Presidency on June 26<sup>th</sup> 2007 allowed for the opening of accession negotiations in six further chapters. Yet, with the salient issue of the ecologic and fisheries protection zone<sup>436</sup> Croatian commitment to reform has come under scrutiny – as have the reform endeavours in all Western Balkan countries. Both ruling parties in the grand coalition – Christian Democrats (CDU/CSU) and Social Democrats (SPD) – are concerned about the progress and the sustainability of the reforms in the Western Balkan region, brought up by the European Commission's enlargement strategy paper and progress reports on the (potential) candidate countries.

<sup>433</sup> Les Echos, 09/01/2008.

\* Institute for European Politics.

<sup>434</sup> Speech by Chancellor Angela Merkel at the SEECP-Summit in Zagreb, 11.05.2007, available at:

<http://www.bundesregierung.de/Content/DE/Rede/2007/05/2007-05-11-rede-bk-zagreb.html> (last access: 03.03.2008);

Foreign Minister Steinmeier: Bindungen zwischen Serbien und der EU stärken, 05.07.2007, available at:

<http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Meldungen/2007/070705-BMserbAM.html> (last access 03.03.2008).

<sup>435</sup> Minister of State G. Gloser, Speech at the Opening of the 17. German – Hungarian Forum, 07.11.2007, available at:

<http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/071123-gloser-budapest.html> (last access: 03.03.2008).

<sup>436</sup> Frankfurter Allgemeine Zeitung: EU und Kroatien streiten über die Adria, 12.12.2007, p. 6.

On November 8th, 2007 the German Parliament held a plenary debate on the future of the EU enlargement.<sup>437</sup> The CDU strongly questioned the sustainability of the reforms in the (potential) candidate countries and their intrinsic motivation for reforms: "If we take the progress reports seriously, we have to stress that reforms should not only be performed as an EU accession condition, but also because of the will of the people in the particular country [...]."<sup>438</sup> Reforms in the (potential) candidate countries are considered to be "too slow and too superficial". The SPD also voices concerns about the pace of reforms in the (potential) candidate countries, but less fiercely so. The SPD, as well as the Greens, rather stress the EU's responsibility for the Western Balkans and the historic successes of previous enlargements. The SPD sees Croatia's accession until 2010 as an urgent target and proposed to turn two of the 27 European Commissioners into "regional commissioners for South – East Europe."<sup>439</sup>

#### *The ongoing debate on Turkey*

The German debate on Turkish EU membership was particularly fuelled not by the Commission strategy document but rather by recent discussion on integration of Turkish immigrants. While the CDU tries to define the geographical borders of the EU, thus aiming at excluding a full membership of Turkey,<sup>440</sup> the SPD stresses the founding principle of the EU, that "any European state" is theoretically eligible for membership. The concept of the "privileged partnership" with Turkey has been developed further within the CDU.<sup>441</sup> At the federal party congress it was integrated into the new CDU party programme,<sup>442</sup> but even before several regional party conferences

revealed that a full Turkish EU membership was rejected in principle and that an associated membership of the Turkish party AKP in the European People's Party (European Parliament) was heavily opposed.<sup>443</sup> The SPD on the other hand wants to continue Turkish accession negotiations "with the goal of success".<sup>444</sup>

#### *Deepening and widening or deepening before widening...and other questions of enlargement*

Germany has previously been a key country in supporting the successive EU enlargements. Yet, the German public opinion is marked by a growing enlargement fatigue.<sup>445</sup>

The Commission's strategy document once again gave rise to the discussion whether the EU must pursue institutional consolidation and political deepening of its own matters before pursuing further enlargement (CDU/CSU<sup>446</sup>) or while simultaneously pursuing enlargement (position of the SPD and Greens<sup>447</sup>). In its renewed party programme ("Hamburger Programm"), the SPD expressed the need for a deepened democratic and social European Union, which is open for new members (explicitly Turkey).<sup>448</sup>

A political issue in this context is, whether the European Commission should grant advancements and concessions, as it has done with Romania, Bulgaria and other states of the 2004 enlargement, or whether such political concessions are now beyond question, as they seem to slow down reform efforts rather than speeding them up. Hence, in order not to lose credibility, in particular the CDU demands that the Commission insists on the full completion of the accession criteria by the

<sup>437</sup> Cf. German Bundestag (parliament), Plenary debate 123, Agenda item 24: Developing the EU's enlargement and neighbourhood policy, pp. 12869 – 12874.

<sup>438</sup> Cf.: Dr. Stephan Eisel: minutes of the Bundestag, 16th electoral term, 123<sup>rd</sup> session, 08.11.2007, Plpr.-Nr.: 16/123, p. 12871.

<sup>439</sup> Cf.: MdB Axel Schäfer: minutes of the Bundestag, 16th electoral term, 123<sup>rd</sup> session, 08.11.2007, p. 12870.

<sup>440</sup> Cf.: MdB Dr. Stephan Eisel: minutes of the Bundestag, 16th electoral term, 123<sup>rd</sup> session, 08.11.2007, p. 12871.

<sup>441</sup> Cf.: Institut für Europäische Politik: EU-25 Watch, Vol. 3, July 2006, pp. 166-167, available at: <http://www.iep-berlin.de/index.php?id=185&L=http%3A%2F%2Fcontrafor.ma.com%2Fconf%2Fopi%2Fuvige%2F> (last access: 28.02.2008).

<sup>442</sup> Cf.: Christlich-Demokratische Union (CDU): Freiheit und Sicherheit. Grundsätze für Deutschland, Guiding party programme, p. 101, point 328 available at: <http://www.cdu.de/doc/pdfc/071203-beschluss-grundsatzprogramm-6-navigierbar.pdf> (last access: 15.01.2008).

<sup>443</sup> Cf.: Basis rebelliert gegen Türkei-Politik der CDU. Kreisverbände wollen Ablehnung des EU-Beitritts ins Programm schreiben, in: Süddeutsche Zeitung, 1 November 2007, p. 5.

<sup>444</sup> Cf.: MdB Axel Schäfer: minutes of the Bundestag, 16th electoral term, 123<sup>rd</sup> session, 08.11.2007, p. 12870.

<sup>445</sup> Barbara Lippert (2007): Alle paar Jahre wieder – Dynamik und Steuerungsversuche des EU-Erweiterungsprozesses, in: integration 4/2007, pp. 422-439.

<sup>446</sup> MdB Thomas Silberhorn: minutes of the Bundestag, 16<sup>th</sup> electoral term, 123<sup>rd</sup> session, 08.11.2007, p. 12873.

<sup>447</sup> MdB Jürgen Trittin: minutes of the Bundestag, 16th electoral term, 123<sup>rd</sup> sitting, 08.11.2007, p. 12873

<sup>448</sup> Sozialdemokratische Partei Deutschlands (SPD): Hamburger Programm – Grundsatzprogramm der Sozialdemokratischen Partei Deutschlands, passed at the national general party assembly 28 October 2007, available at: [http://www.spd.de/show/1731549/Hamburger%20Programm\\_final.pdf](http://www.spd.de/show/1731549/Hamburger%20Programm_final.pdf) (last access: 15.01.2008), p. 30.

candidate countries.<sup>449</sup> The academic community, however, agrees that there must be an end to political concessions in accession negotiations and that the new Treaty of Lisbon makes this very clear (hint at the Copenhagen criteria in Article 49 c).<sup>450</sup>

#### *Kosovo – prevailing diplomatic manoeuvres*

Although not among the first countries, the German government very quickly recognised the independence of the Kosovo after the declaration of independence.<sup>451</sup> The German Auswärtiges Amt (Ministry of Foreign Affairs) emphasised the urgent need to find a solution regarding the situation in Kosovo. The Minister of Foreign Affairs, Steinmeier, however stressed that “we would have preferred a “mutual agreement” – also including Russia, but after nine years of unsuccessful negotiations he was prepared to accept Kosovo’s independence as a “final point” to the disintegration of former Yugoslavia. Steinmeier underlined the German commitment to helping Kosovo on the way to a stable and democratic state, by deploying the not only thousands of peace keeping soldiers from the Federal Armed Forces, but also by providing the civil EU mission with policemen, judges and lawyers, to advice the Kosovo government.<sup>452</sup>

Based on an initiative from Foreign Minister Steinmeier in August 2007, representatives of Russia, the USA and the EU had formed a so-called Kosovo-Troika. This group should explore the possibility for a negotiated solution by additional diplomatic means and achieve a position, acceptable for all parties. On December 7<sup>th</sup>, 2007 a report was submitted to UN General Secretary Ban Ki-Moon. The experienced German Ambassador to the UK, Wolfgang Ischinger, represented the EU in the

Kosovo-Troika.<sup>453</sup> In order not to undermine his mission and the German efforts, the German government was reluctant to support any further initiatives. The proposal of the Hungarian prime minister to mediate in the Kosovo conflict as well, was rejected by the chancellor Angela Merkel, to enable the EU “to speak with one voice”.<sup>454</sup>

The government also tried to inspire and foster the negotiations by a special German experience, taking the ‘Grundlagenvertrag’ as a possible modus vivendi. By this agreement in 1973 East and West Germany legally defined the conditions of their co-existence following the modus vivendi formula ‘one nation, but two states’.<sup>455</sup> The scientific community also accompanied the German diplomatic initiative. The political analysts Altmann and Reljic worked out different scenarios for the time after 10 December 2007, assuming that a negotiated solution would be unlikely to achieve.<sup>456</sup>

As for the EU’s relations with Serbia, the German government continues its commitment to drawing Serbia closer to the EU.<sup>457</sup>

<sup>449</sup> MdB Thomas Silberhorn: minutes of the Bundestag, 16<sup>th</sup> electoral term, 123<sup>rd</sup> session, 08.11.2008, p. 12874.

<sup>450</sup> Solveig Richter (2008): Die Erweiterungspolitik der EU nach dem Reformvertrag von Lissabon. Politische Signalwirkung trotz geringer Modifikation, SWP, Diskussionspapier FG2.

<sup>451</sup> Ministry of Foreign Affairs: Germany recognizes independent Kosovo: Creating a democratic state of law, available at: <http://www.auswaertiges-amt.de/diplo/de/Aussenpolitik/RegionaleSchwerpunkte/Suedosteuropa/080220-BM-BT-Kosovo.navCtx=215980.html> (last access: 03.03.2008). On February 21<sup>st</sup>, 2008, the German President Horst Köhler officially submitted a letter to Kosovo President Fatmir Sejdiu.

<sup>452</sup> Speech by Foreign Minister Steinmeier on the issue of Kosovo independence, held before the German Bundestag, 20.02.2008, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2008/080220-Steinmeier-BT-Kosovo.html> (last access: 03.03.2008).

<sup>453</sup> Wolfgang Ischinger had a long-standing experience in the diplomatic corps as political director in the ministry, state secretary and ambassador to the USA and proven experiences in the region as negotiator of the Dayton agreement.

<sup>454</sup> Frankfurter Allgemeine Zeitung: Merkel will keine Vermittlerrolle für Ungarn. „Europa soll im Kosovo-Konflikt mit einer Stimme sprechen“. Gespräche in Budapest, in: Frankfurter Allgemeine Zeitung, 22 August 2007, p. 1.

<sup>455</sup> According to Serbian Deputy Prime Minister Djelic at IEP background talk, 25 October 2007, Berlin. Cf. also Speech by Foreign Minister Steinmeier on the issue of Kosovo independence, held before the German Bundestag, 20.02.2008, available at:

<http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2008/080220-Steinmeier-BT-Kosovo.html> (last access: 03.03.2008).

<sup>456</sup> Franz-Lothar Altmann/ Dusan Reljic: Weiß, Schwarz, Grün – Drei Szenarien für Kosovo nach dem 10. Dezember 2007, Discussion Paper FG 2 of the German Institute for International and Security Affairs, 8 September 2007, available at: [http://www.swp-berlin.org/de/common/get\\_document.php?asset\\_id=4341](http://www.swp-berlin.org/de/common/get_document.php?asset_id=4341) (last access: 15.01.2008).

<sup>457</sup> German Foreign Affairs Minister Steinmeier: Serbia’s future lies in Europe, available at: <http://www.auswaertiges-amt.de/diplo/en/WillkommeninD-D-Informationen/Nachrichten/080205-1.html> (last access: 03.03.2008).



## Western Balkans - Enlargement

## Greece\*

**“Europe should tread carefully in our neighbourhood”**

Greece used to have a clearly negative position regarding independence (or independence-equivalent) solutions, insofar the final status of Kosovo is concerned. Greek public opinion has been steadily supportive of Serbia – and welcoming Russian support to Serb positions over Kosovar independence. Still, as the final initiative in Kosovo was getting closer (certainly in fall 2007), Greek official positions started to waver and an Ahtisaari-based outcome now looks more palatable to Athens – at least insofar it bears an EU seal of approval. Foreign Minister Dora Bakoyanni is credited (or debited, depending on one’s position) with this shift, which has not been closely monitored by the media nor has raised much interest in public opinion.

*The never-ending FYRoM issue*

For Greece, as is well known, the major issue of interest in the Balkans is relations with the FYRoM. The touchy matter of that country’s constitutional name (Republic of Macedonia), which is not recognised by Greece since it is considered prone to confusion with the Greek province of Macedonia, leading to minority-cum-irredentist claims etc, remains contentious. Bilateral negotiations under the auspices of the UN are underway, but multilateral relations involving the FYRoM such as NATO accession and progress in EU accession talks remain (for Greece) conditional on a mutually agreed way out of the “name impasse” being found.

The final outcome in Kosovo with the proclamation of independence, raised grave concerns in Greece, since a domino effect of Albanian-dominated Kosovar independence is thought liable to destabilise the FYRoM (where the Tetovo region is Albanian-majority populated) and eventually lead to “Greater Albania” dreams being put in practice.

Negotiations under the auspices of the UN between Greece and the FYRoM in order to seek a way out of the impasse over the latter’s name, renewed under heavy international pressure in February 2008, ended (or seemed to end) in deadlock. Greece has formally

announced that if no mutually agreed solution is found, it will have to veto the proceedings for FYRoM participation to NATO (expected to begin at the NATO spring Summit), as well as for any close relations with the EU<sup>458</sup>.

Overall, Greek attitudes insofar the Western Balkans – and that region’s countries’ relations with the EU – are concerned, are mainly dictated by the need not to disrupt delicate equilibria (which had been dangerously tested in the Nineties).

*Greek-Turkish relations...*

This goes, even more so, for relations with Turkey. The fact that the pace for EU-Turkey relations has slackened has not changed the official Greek position – a position reiterated by the Government and supported by the main Opposition party whose leader is George Papandreou, the architect, while Foreign Minister, of Greek-Turkish rapprochement on a EU-dependent basis – that Turkish accession to the EU should remain the ultimate goal. With the clear proviso that “Turkey should fulfil all of [Copenhagen] accession criteria”, with good-neighbourhood relations (interpreted as meaning lessening of tensions with Greece, stepping back from claims over the Aegean and from raising minority issues in Thrace) being included. This last position has been reiterated and clearly stated during Greek Prime Minister Karamanlis official January 2008 visit in Ankara and talks with his Turkish counterpart Recep Tayyip Erdogan and President Abdullah Gul<sup>459</sup>.

*...and the Cyprus issue*

February elections in Cyprus have brought to power political forces less opposed to an eventual renegotiation of the Annan Plan, which would lead to a re-unification of the island, thus unfreezing the North’s participation to (among other things) European mechanisms. Greece has made positive

<sup>458</sup> A comprehensive Government official position can be found at (Greek Foreign Minister’s) Dora Bakoyanni address at the Center of Strategic International Studies in Washington (22 Feb. 2008), available at: [www.mfa.gr](http://www.mfa.gr) (last access: 04.03.2008). The position of the main Opposition party (“The national red line for the Skopje issue”) can be found at: [www.pasok.gr](http://www.pasok.gr) (last access: 04.03.2008).

<sup>459</sup> The outline of the Greek positions was given in an interview of Dora Bakoyanni at the Turkish newspaper Millyet (4 Dec. 2007), available at: [www.mfa.gr](http://www.mfa.gr) (last access: 04.03.2008). An assessment of the visit outcome, from the same source, was given at an interview to the Greek newspaper Kathimerini (2 Feb. 2008), available at: [www.mfa.gr](http://www.mfa.gr) (last access: 04.03.2008).

\* Greek Centre of European Studies and Research.



noises, but at a safe distance for the time being.

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Western Balkans - Enlargement

**Hungary\***

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**Vital interest in Western Balkans**

Hungary is situated in the direct neighbourhood of the Western Balkans, therefore it is very much interested in the credible progress of all these countries towards prospective EU membership. Croatia and Serbia are regarded as most important partners among the Western Balkan countries for Hungary, due to direct geographic proximity (and in the case of Serbia, due to the presence of a non-negligible Hungarian minority).

Unlike in a number of other EU member states, there is no clear opposition in Hungary against the future EU membership of Turkey. The only aspect where serious doubts occur is the EU budget, namely, the potential effect of the inclusion of Turkey into the system of EU transfers. From this point of view, Hungary is interested (without stating it officially) in a later EU-entry of Turkey.

Due to differences in size, but also to geographic proximity and economic opportunities, such fears do not occur in the case of the Western Balkan countries. The region is one of the main fields of Hungarian outward foreign direct investment (which, in a number of cases, means investments by multinational enterprises via their companies in Hungary), and a stable development of this region enhances these opportunities (and increased stability can make these markets available for other, smaller Hungarian firms as well).

Due to factors already mentioned – geographic proximity, Hungarian minority in Serbia, economic opportunities – the peaceful settlement of the Kosovo issue, and the stable and EU-oriented development of Serbia are vital Hungarian interests. It is no wonder that the Hungarian foreign policy has been very cautious in taking sides. All in all, these cautious political statements or speeches during the autumn of 2007 have followed the same general line, putting at the same time more or less weight on different aspects of the

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\* Institute for World Economics of the Hungarian Academy of Sciences.

issue – depending on newest events, but also on who the actual negotiating partner was.

As it could be expected – because of its vital interests mentioned above –, Hungary was not among the first countries that recognised the independence of Kosovo. However, despite this prudence, Hungary joined the majority of EU member states, and recognised the independence of Kosovo on 19<sup>th</sup> March 2008. At the same time, Hungary is also very much interested in a politically and economically stable and EU-oriented Serbia, and therefore actively supports the steps recently taken or foreseen in the framework of EU-Serbian relations (namely, preparations for the signature of the Stabilisation and Association Agreement, positive changes in the visa regime).

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Western Balkans - Enlargement

**Ireland\***

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**Support for EU mainstream positions**

The Irish government was supportive of the Commission's broad conclusions. In relation to Turkey specifically, it recognized that the accession negotiations with Turkey were opened and that there was no guarantee of eventual Turkish accession. It agreed with other member States who did not favour a full-scale debate on enlargement strategy at the December European Council.

There was very little media coverage of the annual strategy document on EU enlargement. The focus of the scant media coverage was centred on the prospect for future EU enlargement before 2010. It was reported in *The Irish Times* that Croatia is the only country likely to join the EU within that timeframe.

While the Irish government has not yet decided how it will react to a possible Kosovar declaration of independence, it is generally expected that it will join most other EU member States in recognizing an independent Kosovo.

The Irish government position broadly agrees with the official EU communication regarding the status of Kosovo or the future of EU-Serbia relations. They do, however, place a strong emphasis on the importance of a unified European Union approach. In the context of the EU/Serbia negotiations, Ireland attaches

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\* Institute of European Affairs.

importance to Serbia demonstrating "full cooperation" with the ICTY.

#### *Issues of interest*

One issue of special interest to Ireland regarding Kosovo is the appointment of Brigadier General Gerry Hegarty as Commander, Multi National Task Force Centre, KFOR, a multinational taskforce that is linked to Nato's Partnership for Peace mission in central Kosovo. He will be the first Irish Army officer to command a multinational taskforce in the Balkans.

Minister of State for Defence Tom Kitt, T.D., paid an official state visit to Kosovo in September 2007 where he met local leaders, Special Representative of the United Nations Secretary-General for Kosovo and head of UNMIK Joachim Rucker, as well as Irish troops and humanitarian projects which they support in the province. Following the meeting, he commented:

"I think the Ahtisaari plan is obviously the one that we all strongly support. I made the point to Mr Rucker that we in Ireland have ourselves moved from a violent situation to peaceful resolution in Northern Ireland. That happened by a pretty lengthy process so the process is very important. There is a process of dialogue here between Belgrade and Pristina, it is important we give this a chance."

This view was echoed by Minister for Foreign Affairs, Dermot Ahern, during his visit to the region in early November 2007 when he advocated the two sides find a compromise solution for Kosovo through dialogue, and that "this dialogue should not be constrained by deadlines."

Regarding Serbia's relations with the EU, Minister Ahern took the opportunity to reiterate that Ireland fully supports the Serbian strategic goal of EU membership.

#### Western Balkans - Enlargement

#### Italy\*

#### Italy advocate of integration of Western Balkans

Being a strong supporter of the EU's enlargement policy and a convinced advocate of the European integration of the Western Balkans, Italy attaches a great importance to

\* Istituto Affari Internazionali.

its relations with candidate countries in the region.<sup>460</sup> For the Italian government, it is essential that the Balkan region will be integrated into Europe, as it believes "the anchorage to Europe" is the only way to permanently stabilise this area and to make it more prosperous.

Italy supports EU's opening to Croatia, just as it supported the accession of Slovenia to the EU. However, Italy – together with Slovenia – is part to a dispute with Croatia over the Croatian contiguous zone of the Adriatic Sea: Zagreb's plan to establish a restricted fishery zone has raised the anger of Italian and Slovenian fishermen. The EU, and especially Italy and Slovenia, are opposed to Zagreb's unilateral decision. Should Croatia go on with its plans to close a huge Adriatic fishing zone, its chances of gaining entry into the EU by 2010 could be undermined. The Italian government considers this no more a bilateral problem, but a Communitarian issue that needs to be solved through a collaboration among all the Adriatic Sea states.<sup>461</sup>

For the Italian press, special attention should be devoted to enlargement towards Turkey. The election to President of the Republic of the AKP's number two, Gül, is a decisive step towards the defeat of the military, the historical guarantors of institutional secularism in a deeply Muslim society. Turkey is therefore becoming, according to some Italian newspapers, increasingly democratic, but at the same time less secular, geopolitically more Arabic and less pro-Atlantic. It is up to the EU therefore to play its cards so that Ankara does not drift away from the Western front.<sup>462</sup> On this point, the European Commission's Vice President, Franco Frattini made clear that it is inadmissible to say that "the most Turkey can aspire to is a strategic partnership" with the EU. A clash between the Commission, which is more 'possibilist', and a number of countries – headed by France – who are against accession is inevitable. According to Frattini, the simplified treaty strongly wanted by

<sup>460</sup> See Italian Ministry of Foreign Affairs' website, Paesi Membri Italia:

[http://www.esteri.it/MAE/IT/Politica\\_Europea/AffariGen\\_Re\\_lazEst/UE\\_allargamento/paesimembri/Italia.htm](http://www.esteri.it/MAE/IT/Politica_Europea/AffariGen_Re_lazEst/UE_allargamento/paesimembri/Italia.htm) (last access: 04.03.2008).

<sup>461</sup> P. Ferrara, "Incontro settimanale con la stampa", Ministero degli Affari Esteri, 10 January 2008, available at: <http://www.esteri.it/MAE/briefing/100108.pdf> (last access: 04.03.2008).

<sup>462</sup> L. Carraciolo, "L'Europa si allontana", La Repubblica, 29 August 2007, available at: [http://www.formazionepolitica.org/vediti/15/immagini/File/00\\_0Sept/LCaracciolo%202908.pdf](http://www.formazionepolitica.org/vediti/15/immagini/File/00_0Sept/LCaracciolo%202908.pdf) (last access: 04.03.2008).

Sarkozy actually provides better institutional conditions for integrating Turkey. For example, the replacement of the old voting rules will imply that Ankara, with its 80 million inhabitants, will not become the most influential country in the EU.<sup>463</sup> Speaking at the Fourth Turkish-Italian Forum in Istanbul, Massimo D'Alema stated that Turkey is an important country not only for the Middle East area but worldwide. It has become a country that many consult to and want to work together with. This means that the EU would benefit from Turkey's accession, especially as far as security and regional stability is concerned. D'Alema also stressed the fact that Italians have a positive view on Turkey's membership and Italy wants the EU to endorse an open doors policy vis-à-vis Turkey.<sup>464</sup>

#### *The status of Kosovo and the future of EU-Serbia relations*

Taking into account the debate that preceded Kosovo's declaration of independence of February, the 17<sup>th</sup> 2008, the Italian Premier Romano Prodi affirmed that working together for the "Balkans cause", beginning with the issue of Kosovo, is to be considered a top priority for all of the EU member states. In his opinion, "there will never be an ideal moment to settle the question of Kosovo, because no solution will ever fully satisfy both parties involved". Italy "must therefore act with determination, preventing the stability of Kosovo and the whole region from being undermined by allowing the status quo to drag on indefinitely". In Prodi's view, it is in the interest of everyone – Kosovo, Serbia, the United Nations, NATO and Europe – to find a shared solution. In particular, Prodi would like to press for a more welcoming EU stance on Serbia that would illicit such positive results as to avert nationalist gains in the country's January elections and to be able to compensate Belgrade for the possible independence of Kosovo. However, for Rome any solution to this problem requires a "significant strengthening of the relations between the European Union and Belgrade", both in terms of stepping up the pace of negotiations on the Stabilisation and

Association Agreement, and in terms of a powerful European effort to help underpinning Serbian economy.<sup>465</sup>

The Italian press also considered the independence of Kosovo as inevitable and affirmed that the EU needed to accept it, acknowledging the impossibility of putting off the region's independence indefinitely. Warnings directed at Pristina against sudden and unilateral declarations of independence were seen as absolutely essential. But it was recalled that Europe's coherent acceptance of its responsibility over the region is equally vital.<sup>466</sup> As the Spokesperson of the Italian Foreign Ministry Pasquale Ferrara said, Italy, despite the outgoing government of Romano Prodi, was ready to recognize the independence of Kosovo along with other Western European member states of the Contact Group. Italy wanted EU to adopt a united decision on the status of Kosovo. For the Italian Minister of Foreign Affairs Massimo D'Alema, in fact, Kosovo independence process could not be reversed anymore and it should have been managed by the EU as a whole.<sup>467</sup> D'Alema, following the failure to settle the Kosovo question in the UN, declared that the EU and the United States would have proceeded without the UN to guarantee Pristina a peaceful transition to territorial autonomy.<sup>468</sup>

The Italian Council of Ministers decided to recognise the independence of Kosovo "in a framework of international supervision" and to authorise the Foreign Minister Massimo D'Alema to respond positively to the request by Pristina, starting normal diplomatic relations with Kosovo authorities. The decision was supported by all the members of the Council of

<sup>463</sup> A. D'Argenio, "Per l'Europa una buona scelta questo voto scoraggi l'estremismo"(interv. F. Frattini), La Repubblica, 23 July 2007, available at: <http://www.euopressresearch.eu/html/mappe/dettaglio.php?id=3005&lang=ITA> (last access: 04.03.2008).

<sup>464</sup> M. D'Alema, Foro di Dialogo Italo-Turco, 22 November 2007, available at: [http://www.sam.gov.tr/turk\\_italianforum4/MassimoDalema.doc](http://www.sam.gov.tr/turk_italianforum4/MassimoDalema.doc) (last access: 04.03.2008).

<sup>465</sup> R. Prodi, Intervento del Presidente del Consiglio alla Conferenza degli Ambasciatori slovacchi, 18 July 2007, available at: <http://www.governo.it/Presidente/Interventi/dettaglio.asp?id=35625> (last access: 04.03.2008).

<sup>466</sup> S. Fagiolo, "Spetta all'Unione Europea sciogliere il nodo del Kosovo, Il Sole 24 Ore, 14 December 2007, available at: <http://www.difesa.it/Sala+Stampa/Rassegna+stampa+On-Line/PdfNavigator.htm?DateFrom=14-12-2007&pdfIndex=73> (last access: 04.03.2008).

<sup>467</sup> P. Ferrara, "Kosovo, Farnesina: Italia deve riconoscerlo insieme ai Big UE", Alice Notizie, 7 February 2008, available at: <http://economia.alice.it/news/foglia.html?t=2&id=4&codNotizia=14002920> (last access: 04.03.2008).

<sup>468</sup> A. Romano, "Kosovo, un punto per D'Alema", La Stampa, 21 December 2007, available at: [http://www.lastampa.it/web/cmstp/tmplRubriche/giornalisti/grubrica.asp?ID\\_blog=146&ID\\_articolo=70&ID\\_sezione=309&sezione=](http://www.lastampa.it/web/cmstp/tmplRubriche/giornalisti/grubrica.asp?ID_blog=146&ID_articolo=70&ID_sezione=309&sezione=) (last access: 04.03.2008).

Ministers, except for the Minister for Social Solidarity Paolo Ferrero (member of Rifondazione Comunista). As pre-announced by Belgrade, the Serbian ambassador to Rome has been recalled for consultations and a formal letter of protest has been sent by Serbia to the Italian government to complain about the Italian unilateral recognition of independent Kosovo.<sup>469</sup>

#### Western Balkans - Enlargement

#### Latvia\*

#### **No particular reaction to Commission's Communication but general support for EU enlargement in South Eastern Europe**

There was hardly any reaction in Latvia to the Commission's Communication on „Enlargement Strategy and Main Challenges 2007-2008” of November 2007. The explanation lies in the internal affairs of Latvia at that time, rather than in general lack of interest in EU enlargement and the progress made by the candidate countries. The issues preoccupying all of Latvia were how long the unpopular government of Prime Minister Kalvitis would last and who would head the new government. Further complicating matters was the internal strife in the People's Party, chaired by Kalvitis, and the resignation of Artis Pabriks as Minister of Foreign Affairs on 19 October 2007 and as member of that party on 8 November 2007. Maris Riekstins, a career diplomat and a newcomer to the People's Party, became the new Minister of Foreign Affairs on 8 November 2007.

All this, however, did not alter Latvia's foreign policy. According to the Ministry of Foreign Affairs, Latvia supports EU enlargement in South Eastern Europe, which, of course, includes the candidate countries – Croatia, Turkey, and the former Yugoslav Republic of Macedonia – and the potential candidate countries – of Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo. At the same time, Latvia is fully aware of the thorny internal problems confronting many of these countries and these should not be underestimated. Consequently, Latvia supports the various EU assistance measures (whether to maintain peace and stability or help

establish practices of good governance and justice) in the Balkans. These were also among the topics discussed by Latvia's Minister of Foreign Affairs, Maris Riekstins, during his working visit to Croatia, Albania, and Macedonia from 19 to 22 February 2008.

Diplomatic relations with Turkey go back to the 1920s when Latvia was an independent republic; they were re-established in October 1991 after Latvia regained its independence. Latvia opened its embassy in Ankara in April 2005.

Latvia's active interest in the Balkans is of recent vintage. During the nearly five decades of Soviet occupation, Latvia could not develop its own foreign relations; consequently, bilateral relations with other countries could be re-established or could begin only in late August 1991. Latvia re-established diplomatic relations with Albania in April 1992 (diplomatic relations with Albania began in 1928 and could not be continued from 1940 to 1991).

As for the former Yugoslavia, the 1990's was a period of civil wars and disintegration as a state. Already as an aspiring member of NATO and the EU, Latvia assisted in the international missions to keep the peace and maintain public order. The development of Latvian relations with each of the countries emanating from the former Yugoslavia started as peace and stability was established there and in tandem with the EU policies. Consequently, the relations that are developing now are not coloured by past enmities, preferences or friendships.

Therefore, when considering EU enlargement in this region, or anywhere else, Latvia believes that the most important question that the EU must answer positively when considering new members is: does the candidate country fully meet the existing membership criteria before admission into the Union?<sup>470</sup>

Concerning Serbia and Kosovo, on 20 February 2008 Latvia announced its recognition of the independent Republic of Kosovo<sup>471</sup>; it was the eleventh country to do so. Foreign Minister Maris Riekstins also

<sup>469</sup> See La Repubblica, 21 February 2008: <http://www.repubblica.it/2008/02/sezioni/esteri/kosovo-indipendenza/riconoscimento/riconoscimento.html> (last access: 04.03.2008).

\* Latvian Institute of International Affairs.

<sup>470</sup> All the information just presented comes from Latvia's Ministry of Foreign Affairs, available at: <http://www.mfa.gov.lv> (last access: 18.03.2008); see the sections on the EU, ENP and bilateral relations.

<sup>471</sup> For the full text, see <http://www.mfa.gov.lv/lv/Jaunumi/PazinojumiPresei/2008/Februaris/20-4/> (last access: 18.03.2008).



stated that the plan developed by UN special envoy Martti Ahtisaari should be considered as the guidelines for Kosovo's future development. Taking issue with Latvia's step, Serbia reacted on the following with a diplomatic note.

Latvia had hoped that the EU member states would act with one voice on this matter, but this did not happen. The Latvian decision was not based on any special interests of its own. It was also not directed against Serbia or any other country opposing Kosovar independence. The principal motive was the conviction that the will of the overwhelming majority of the people should be respected. The Latvian Foreign Ministry's statement emphasised that the situation in Kosovo is unique and should therefore not be seen as a precedent-setting case that could be utilised in other parts of the world.

#### Western Balkans - Enlargement

### Lithuania\*

#### Support for EU "open door policy"

*A positive evaluation of the European Commission strategy document on the EU enlargement*

Lithuanian Foreign Affairs Minister Petras Vaitiekūnas has positively evaluated the European Commission strategy document on the EU enlargement. As the Minister claimed "we agree with the Commission that we have to respect the obligations made for the countries seeking a membership in the European Union. The perspective of the membership in the EU is a strong impetus for these countries to continue the implementation of the necessary structural political and economic reforms. Consistent EU enlargement policy is a strong instrument of keeping peace, democracy and stability in the continent"<sup>472</sup>.

Following the evaluation of the Ministry of Foreign Affairs, the progress reports of the countries provided by the European

Commission are rather comprehensive and objectively evaluating the preparation of the countries for the membership in the EU and the fields named by the European Commission as requiring progress and the indicated remaining problems will help the countries to continue the consistent preparation for the membership in the EU<sup>473</sup>.

#### *Lithuania strongly supports the further EU enlargement*

The main points of the Lithuanian position on the EU enlargement are:

- Lithuania supports the EU "open door" politics. The perspective of the membership in the EU has to be provided to the EU European neighbours which have such a goal, which have the will to execute the reform programme and demonstrate the capabilities to implement the Copenhagen criteria of membership. The states have to correspond to the same criteria as during the previous waves of enlargement. Each candidate country should be evaluated separately.
- An important aspect of the EU enlargement policy is the institutional, political and financial capability of the EU to integrate the new member states.
- The EU enlargement policy and the provision of the European perspective to the countries seeking the membership is one of the instruments, which promote the spread of democratic values, respect for human rights, the rule of law and security in the region.
- The European Union is a community of citizens, therefore the support of the citizens of the EU member states for the further EU enlargements is essential. Informing society about the principles of the EU enlargement, process and outcomes is a significant condition of the success of this policy<sup>474</sup>.

\* Institute of International Relations and Political Science, Vilnius University.

<sup>472</sup> Lietuva pritaria Europos Komisijos priimtam kasmetiniam dokumentui dėl Europos Sąjungos plėtros strategijos (Lithuania sustains the annual document on the strategy of the enlargement of the European Union adopted by the European Commission), press release of the Ministry of Foreign Affairs, November 8, 2007, <http://www.urm.lt/index.php?1410190205>.

<sup>473</sup> Lietuva pritaria Europos Komisijos priimtam kasmetiniam dokumentui dėl Europos Sąjungos plėtros strategijos (Lithuania sustains the annual document on the strategy of the enlargement of the European Union adopted by the European Commission), press release of the Ministry of Foreign Affairs, November 8, 2007, <http://www.urm.lt/index.php?1410190205>.

<sup>474</sup> The information of the Ministry of Foreign Affairs, <http://www.urm.lt/index.php?-1702064670>.



*Kosovo case should not set a precedent*

Speaking about the Kosovo case, Lithuanian President Valdas Adamkus said he was happy that the European Union was ready to take responsibility and did not respect the attempts of the other states to block the solution of the Kosovo issue. As he declared, the veto of one state cannot prevent from solving complicated international issues<sup>475</sup>. The secretary of the Ministry of Foreign Affairs Žygimantas Pavilionis said that, "Kosovo is a test of our capability to act together on the international arena. We have to aspire for the transatlantic unity upon the Kosovo issue and state clearly that the case of Kosovo is unique"<sup>476</sup>.

Lithuanian position on the Kosovo issue comprises the following points:

- Lithuania recognizes self-determination of Kosovo;
- Lithuania recognizes the right of the EU member states to recognize the potential independence of Kosovo by the date acceptable for them;
- Lithuania supports the ESDP mission in Kosovo;
- The case of Kosovo is unique; therefore it cannot set a precedent for solving the other frozen conflicts<sup>477</sup>.

*The EU should send a positive signal to Serbia*

Speaking about the Lithuanian position on Serbia and EU relations in the meeting of the General affairs and external relations council, Lithuanian Foreign Affairs Minister Petras Vaitiekūnas urged to send a "positive signal" to Serbia about its European perspective. He encouraged his EU colleagues to sign a Stabilization and association agreement with this state. P. Vaitiekūnas also held a position,

<sup>475</sup> Lietuvos Respublikos Prezidentas: Europos Sąjunga turi išlaikyti vienodą politikos pagreitį ir Pietų, ir Rytų kaimynystėje (President of the Republic of Lithuania: European Union has to keep the same policy acceleration both in Southern, and Eastern neighbourhood), press release of the President institution, December 14, 2007, <http://www.president.lt/lt/news.full/8634>.

<sup>476</sup> The speech of the secretary of the Ministry of Foreign Affairs Žygimantas Pavilionis in the conference "Lisbon treaty – what next?", January 17, 2008, <http://www.urm.lt/index.php?2060280997>.

<sup>477</sup> This position was presented by the Deputy director of the European Union department of the Ministry of Foreign Affairs Sigitas Mitkus during the discussion organized by the Lithuanian Parliament European Club and Parliament European Information Office "Towards a wider European Union: the enlargement of the EU towards the Western Balkans" on January 25, 2008.

that the dialogue about the visas should be started with all Western Balkan states<sup>478</sup>.

Western Balkans - Enlargement

Luxembourg\*

Luxembourg recognizes independent Kosovo

The Vice-Prime Minister, Minister of Foreign Affairs Jean Asselborn, made a statement in the Luxembourg Parliament to explain the Grand-Duchy's position concerning the Kosovo conflict. This statement was followed by a debate on Kosovo, the EU–Serbia relations and the Western Balkans, where the political parties expressed their positions which, in very large parts, are similar to the government's policy<sup>479</sup>.

Asselborn justifies the intervention of the international community in Kosovo by referring to the atrocities committed in this territory before the 1999 NATO military operation. Even UN Secretary General Ban Ki-moon agrees that the 'status quo' cannot be a definite solution. There can be no return to the 'status quo ante' as the EU decided under the Luxembourg presidency in 2005. Even the Serbian authorities agreed to this point. The Troika (Russia, the USA and the EU) discussions brought no solution because there was a lack of political will to do so. Thus the international community, and especially the EU, have to take their responsibilities: if no agreement between the Serbs and Kosovars can be reached, they must act. Russia would like to continue the negotiations, even if they lasted for years, even dozens of years and it wants to maintain the 'status quo' in the meantime. This cannot be agreed to. The UN Security Council could be bypassed as well. Russia's position is clear and will not change: no vote will be taken, but no agreement will be reached either.

Europe has a political responsibility: the Balkan region must not be destabilized again!

<sup>478</sup> Lietuvos UR ministras ragina Serbijai suteikti europines perspektyvas (Lithuanian Foreign Affairs Minister urges to provide Serbia the European perspectives), news agency Baltic News Service, January 29, 2008, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2513/>.

\* Centre d'Etudes et de Recherches Européennes Robert Schuman.

<sup>479</sup> Chambre des députés, Compte rendu des débats, Déclaration du Ministre des Affaires étrangères, 12.12.2007.

Maintaining the 'status quo' will surely produce a unilateral declaration of independence within a very short time. Nearly all member states of the EU agree to prevent by all means a UDI – unilateral declaration of independence. The aim of the EU is to reach a CDI – a coordinated declaration of independence. The decision will be based on a proposition of the special UN envoy Martti Ahtisaari, namely that of a democratic, multi-ethnic Kosovo, with special protection for ethnic minorities: a so-to-say internationally controlled independence.

A civil mission has to be created: this 1500-men-strong EU mission will have to count on the strong support and protection of the NATO.

The Christian-democrat parliamentary representative Laurent Mosar underscores the importance of this new EU mission in Kosovo, but he worries about the legal basis of this mission. Wouldn't it be useful to urge the UN Secretary General to order this mission officially, and, in this way, legalize it *de facto*. We must be aware that the UN Kosovo resolution 1244 from 1999 does not cover a new EU mission. Mosar concedes that Russia is ready to veto any new Kosovo resolution in the UN Security Council.

In the eyes of Foreign Minister Asselborn, the KFOR mission has to be prolonged. Even Russia agrees that if NATO forces were withdrawn, a destabilization would be the immediate inevitable consequence.

Luxembourg, together with other partners, wants to get Serbia into the boat, which asks for satisfaction, too. As the future of Serbia lies in Europe, bridges have to be built for Serbia to have a European perspective.

The Foreign Affairs Committee speaker, the socialist Ben Fayot, naturally supports the Foreign Minister's position. He insists that Parliament must be aware that the present Kosovo policy of the EU does have special implications for Luxembourg. No one in the Parliament could ignore that peace-keeping missions of any kind in Kosovo would have serious and lasting consequences for Luxembourg. The controlled independence needs a continuous EU engagement.

The European perspective offered to Serbia will be a first stage towards a further enlargement of the EU in the Balkan region. The paramount goal must be to prevent "terrible nationalism" to spread again. How

could we have built a united Europe if the terrible hatred between France and Germany had not been overcome in order to co-operate?

Fayot recalled the position of the Russian federation's delegation chairman who recently visited Luxembourg. Russia fears that even a controlled independence of Kosovo might give way to a Domino effect on the Balkans. The chairman of the Foreign Affairs Committee argues that this domino effect exists already. Montenegro has achieved its independence, Macedonia is on its way into the EU and even Albania envisages a European perspective. Serbia wishes to sign the stabilization agreement. It is very clear that the Domino effect has already started.

Laurent Mosar, the Christian democrats' spokesman on foreign affairs, is well aware of Kosovo's desire for more autonomy. But it seems strange to him that, on the one hand, new borders in Europe are being created within a few months from now, and, on the other hand, both Serbia and Kosovo are at pains to become members of a united Europe in a not too far-off future. Then the newly built border posts will have to be torn down again, which is preposterous.

Mosar believes that the newly-elected Prime Minister of Kosovo, Mr Thaçi, has learned that he can only achieve independence in cooperation with the European Union and that he should not insist too much on a very early date for the proclamation of independence in order to prevent ultranationalist Serbian voices from prevailing.

Charles Goerens, the Council of Europe parliamentary assembly special envoy to Serbia and foreign affairs spokesman for the liberal party, does not see it this way. The opposition speaker asks his fellow MPs to face reality. He says that the Kosovars will not give way one iota in their strife for independence. The apparent restraint is due to the ongoing presidential election in Serbia. No Serbian election candidate can afford to admit to a possible independence of Kosovo. Goerens does not need to speak as cautiously as the Foreign Minister bound to diplomatic constraints.

Goerens refers to Luxembourg's own national history: "Luxembourg itself was a province before being conceded independence in 1839" (by the great powers). It has "no solid argument to refuse independence to another

province that wishes to become independent as well. If there is no alternative to the obvious facts, Luxembourg should not be the last country to recognize an independent Kosovo<sup>480</sup>. Felix Braz, MP ('green' party) and foreign affairs spokesman, can only agree with Charles Goerens. He believes that the proclamation of independence is inevitable and a great majority of EU members will recognize this independence at once.

On 18th February 2008 Luxembourg Foreign Affairs Minister Jean Asselborn took part at the meeting of his EU counterparts in Brussels where one of the main subjects concerned the declaration of independence by Kosovo the previous day. After a meeting with Javier Solana Asselborn announced that Luxembourg would join the UK, France, and Germany in recognizing the newly independent Kosovo, despite the serious challenges brought forth by Serbia and Russia<sup>481</sup>. Luxembourg's three neighbours did recognize the independence of Kosovo, although Belgium has its own problems with a separatist movement<sup>482</sup>. So the Luxembourg Christian-Democrat/Socialist coalition government decided to do the same on February 21<sup>st</sup><sup>483</sup>.

In a very exhaustive speech delivered to the Luxembourg Parliament, Jean Asselborn recalled all the political and legal arguments speaking in favour of an international recognition of Kosovo<sup>484</sup>. In the following parliamentary debate, the speakers of the opposition (Greens and Liberals) and the Socialist party supported the Foreign Minister's position. Laurent Mosar, Foreign Policy spokesman of the CSV, the Christian-Democrats, provoked the Foreign Minister's outcry. The liberal newspaper's parliamentary correspondent commented: "If (Asselborn) had closed his eyes, he could have had the impression to listen to the speech of the representative of a left wing splinter party."<sup>485</sup> Mosar denounced the official recognition of

Kosovo's independence by Luxembourg. He said he just could not believe that this new state could be a viable one. Mosar regretted that Europe and the USA preferred the principle of auto-determination to the principle of territorial integrity. Mosar cited the example of the Finnish Aaland islands which enjoy a special autonomy status. Serbia would have accepted a similar solution as a compromise. These facts should be well known before launching a new dynamic. Minister Asselborn was very puzzled and 'not amused' at all. He asked Mosar if he spoke in his own name or the name of his coalition partner, the Christian Democratic Party. Anyway, the CSV finally accepted to vote in favour of the Kosovo recognition, but "without conviction" (dixit Mosar)<sup>486</sup>. Interviewed on RTL, a radio channel in Luxembourgish, Prime Minister Juncker had to find a path between the Foreign Affairs Minister's position and his own party's Foreign Affairs speaker<sup>487</sup>. On the one hand, he accepted Mosar's legal arguments speaking against the Kosovo independence, but on the other hand, he also had to recognize that the continuation of the status quo was no solution either. Juncker professed his solidarity with his Foreign Affairs Minister, "who attempted many times to build bridges between contradictory positions"<sup>488</sup>. But Juncker declared that the handling of this subject was in no way a success story of a European foreign policy. A common European foreign policy cannot be defined as a "do as you like" way to act.

## Western Balkans - Enlargement

### Malta\*

#### Support for Croatia's accession

Malta is very supportive of the membership of Croatia to the EU and has consistently advocated that Croatia should be admitted in the shortest time frame possible. Malta also maintains an open mind about enlargement to other potential candidates insisting of course that all applicants must meet the Copenhagen criteria prior to membership. A large proportion of the public at large remains sceptical of Turkey's EU membership bid believing that this

<sup>480</sup> Chambre des députés, Compte rendu des débats, Débat sur la Déclaration du Ministre des Affaires étrangères, 12.12.2007.

<sup>481</sup> «Asselborn says Luxembourg will recognize Kosovo», 352 Luxembourg news, 21.2.2008.

<sup>482</sup> «La Belgique va reconnaître le Kosovo», available at: [www.Rtbf.be/info/international](http://www.Rtbf.be/info/international) (last access: 18.2.2008).

<sup>483</sup> «Le Luxembourg a reconnu formellement le Kosovo», Letzebuenger Journal, 22.2.2008.

<sup>484</sup> «Discours .Intervention de Jean Asselborn au sujet de l'indépendance du Kosovo», Chambre des députés, 20.2.2008.

<sup>485</sup> «Kosovo-Erklärung mit Ecken und Kanten. Koalitions-Eklat im Kammerplenium – Laurent Mosar gibt sich als Querschläger», Letzebuenger Journal, 21.2.2008.

<sup>486</sup> «Kosovo provoca «fricção» entre Asselborn e Mosar», Contacto, 27.2.2008. "Contacto" is the newspaper of the Portuguese speaking community in Luxembourg.

<sup>487</sup> «Jean-Claude Juncker au sujet de l'actualité politique», RTL, 23.2.2008.

<sup>488</sup> Ibid.

\* Mediterranean Academy of Diplomatic Studies, University of Malta.

would dilute the process of EU integration and change the nature of EU cooperation in future.

#### *The status of Kosovo*

Malta believes that Kosovo has the right to decide upon its own future, including independence, but that any decisions taken must be implemented in a peaceful way. All measures necessary must be taken to avoid the re-emergence of instability in the Balkans again.

### Western Balkans - Enlargement

#### Netherlands\*

#### 'Strict but fair' enlargement process

The Netherlands very much welcomed the agreement reached at the European Council of December 2006 regarding the enlargement strategy based on consolidation, conditionality and communication.

Also during the negotiations on the Reform Treaty the Dutch government has insisted that the criteria for future enlargement should be incorporated in a new treaty. Although the implications of the reference to the criteria as included in the final text of the Treaty of Lisbon are debated,<sup>489</sup> the Dutch Parliament has strongly supported this stance on underlining the importance of the Copenhagen criteria.<sup>490</sup>

The 2007 strategy document on EU enlargement and its conclusions and recommendations has received general support of the Dutch government. The focus of the strategy document on consolidation, conditionality and communication was particularly well appreciated in The Hague. In a communication on the strategy document to the parliament,<sup>491</sup> the emphasis on

conditionality in the strategy document is considered to be in line with the Dutch view on a 'strict but fair' enlargement process. The Dutch government has stated to strictly monitor the complete fulfilment of the stated criteria by the candidate countries before a next step can be taken in the enlargement process.<sup>492</sup> There will be special attention to the fulfilment of the political criteria (like democracy, rule of law, human rights and rights of minorities). Furthermore the Dutch government has stated on several occasions that improvement of the objectivity and transparency of the enlargement process is one of the pre-conditions to maintain public support for further enlargement of the EU.<sup>493</sup>

Although the conclusions of the strategy document are generally welcomed, observations on improvements in specific countries and conclusions to be drawn from these do differ. With regard to Croatia there is some light between the Commission which perceives the end phase of the negotiations and the Dutch apprehension of naming an accession date. However the different viewpoints are most visible in the case of Serbia, where the conclusions drawn by the Commission are considered too optimistic. In the Dutch perspective reforms have been hampered by the political uncertainty, the lack of unequivocal EU policy and insufficient functioning of the parliament. Moreover the strategy document is considered to not fully take note of the tensed relations between Serbia and its neighbours and the absolute necessity of Serbia's full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY).

Also in the light of more recent developments the Netherlands has underlined the ICTY conditionality as a focal point in EU-Serbia relations. The Dutch government has expressed its misgivings about the Commission decision to initial the Stabilisation and Association Agreement (SAA) with Serbia

\* Netherlands Institute of International Relations 'Clingendael'.

<sup>489</sup> See for instance: Bas Limonard and Jan Rood, 'Uitzicht op einde impasse, van Europese Grondwet naar Hervormingsverdrag', in: *Internationale Spectator*, September 2007 61: 9, p. 407.

<sup>490</sup> *Debat Europese Grondwet*, Tweede Kamer, vergaderjaar 2006–2007, 21 501-20, nr. 71, 23 May 2007; and *Verslag van een Algemeen Overleg over de brief van de minister van Buitenlandse Zaken en de staatssecretaris voor Europese Zaken d.d. 19 maart inzake EU-verdragswijziging*, Tweede Kamer, vergaderjaar 2006–2007, 21 501-20, nr. 348, 17 April 2007.

<sup>491</sup> *Appreciatie van het kabinet van het jaarlijkse uitbreidingspakket van de Europese Commissie, Brief van de Minister en Staatssecretaris van Buitenlandse Zaken*,

Tweede Kamer, vergaderjaar 2007-2008, 23 987, nr. 74, 30 November 2007.

<sup>492</sup> *Staat van de Europese Unie 2007-2008, Brief van de Minister en Staatssecretaris van Buitenlandse Zaken*, Tweede Kamer, vergaderjaar 2007-2008, 31 202, nrs. 1-2, 18 September 2007.

<sup>493</sup> *Appreciatie van het kabinet van het jaarlijkse uitbreidingspakket van de Europese Commissie, Brief van de Minister en Staatssecretaris van Buitenlandse Zaken*, Tweede Kamer, vergaderjaar 2007-2008, 23 987, nr. 74, 30 November 2007; and *Staat van de Europese Unie 2007-2008, Brief van de Minister en Staatssecretaris van Buitenlandse Zaken*, Tweede Kamer, vergaderjaar 2007-2008, 31 202, nrs. 1-2, 18 September 2007.



in November 2007.<sup>494</sup> With regard to the signing of the SAA, a firm stance is taken on the need to demonstrate full cooperation which is considered to be best demonstrated by tangible results, particularly the arrest and transfer of Ratko Mladic to the ICTY based in The Hague. This position of the Dutch government has received approval in parliament and press.<sup>495</sup> The Netherlands has indicated to strictly separate the issue of signature of the SAA and the Serbian position on the Kosovo.<sup>496</sup>

Regarding the future status of Kosovo the Dutch Minister of Foreign Affairs Verhagen made headlines during a visit to the area in the summer of 2007, when he was reported to suggest the possibility of dividing Kosovo as a solution for the future status of the republic. This statement was met with ample criticism both internationally and domestically.<sup>497</sup> Mr Verhagen claims his statement had been misinterpreted, as a separation could only be the case if both parties involved would agree on that and such a decision was accepted by the UN (Security Council). On several occasions the Netherlands has stressed the importance of a joint agreement on the future status of Kosovo, which is based on political and legal legitimacy of the UN.<sup>498</sup> However, after the failed round of talks by the Troika an unilateral declaration of independence of Kosovo was anticipated. After the declaration of independence on 17 February 2008 the Netherlands did not immediately recognise this independence. Officially there had first to be investigated whether the declaration and draft constitution adequately protected human rights, including sufficient guarantees for

minorities.<sup>499</sup> Moreover an immediate recognition could be viewed upon as a palpable act in favour of independence.<sup>500</sup> On 4 March 2008 the Netherlands has recognised the independence of Kosovo as it concluded 'sufficient guarantees for Serbs and other minorities' were provided and considered it a positive sign that the Kosovar government wants to work closely with the International Civil Representative, the Dutchman Pieter Feith.<sup>501</sup> Apart from a press release of the Serb community in the Netherlands, the recognition was generally not contested and received little attention in Dutch media.

## Western Balkans - Enlargement

### Poland\*

#### Support for Western Balkan countries

As Poland's political life was dominated by national elections, these issues did not get any specific reaction in the Polish media. As it concerns the Balkans, the only important event was the meeting of President of the Republic of Poland, Lech Kaczynski, with the Chair of the Presidency of Bosnia and Herzegovina, Željko Komšić, who came on an official visit to Poland on December 17, 2007. According to the press office of the Chancellery of the President, both leaders reviewed the situation of Bosnia and Herzegovina and its circumstances, its structure and its neighbourhood, as well as the overall situation in the Balkans with particular regard to the problem of Kosovo. This meeting happened to be an occasion to present the official standpoint on the situation in Balkans. According to the President: "Poland is of the opinion, that Bosnia and Herzegovina as well as other countries of the region should be given a green light as far as their NATO and EU membership is concerned. The summit of the European Council of March 2007 in a way confirmed this line of thinking not only in our country but also in Europe. Obviously, Bosnia and Herzegovina is very much interested in

<sup>494</sup> *Verslag Algemeen Overleg*, Tweede Kamer, vergaderjaar 2007-2008, 21 501-02 and 22 112, nr. 785, 14 November 2007.

<sup>495</sup> *Vragen van de leden Ten Broeke en Van Baalen (beiden VVD) aan de minister van Buitenlandse Zaken over uitspraken van het Sloveense EU-voorzitterschap inzake Servië en Turkije*, Tweede Kamer, vergaderjaar 2007-2008, vraagnr. 2070808170, 11 January 2007; and 'Nederland blokkeert Servië', in: *NRC Handelsblad*, 10 December 2007.

<sup>496</sup> *Verslag Algemeen Overleg*, Tweede Kamer, vergaderjaar 2007-2008, 21 501-02 and 22 112, nr. 785, 14 November 2007; and *Verslag Europese Raad*, Tweede Kamer, vergaderjaar 2007-2008, 21 501-02, nr. 377, 14 December 2007.

<sup>497</sup> 'EU neemt afstand van Verhagen', in: *NRC Handelsblad*, 6 September 2007.

<sup>498</sup> See for instance: *Geannoteerde agenda van de Informele Raad Algemene Zaken en Externe Betrekkingen («Gymnich») van 7 en 8 september 2007*, Tweede Kamer, vergaderjaar 2006-2007, 21 501-02, nr. 766, 3 September 2007.

<sup>499</sup> Press release of the Ministry of Foreign Affairs on 4 March 2008, source:

<http://www.minbuza.nl/en/news/newsflashes.2008/03/The-Netherlands-recognises-Kosovo.html> (last access: 07.03.2008).

<sup>500</sup> 'Nederland erkent onafhankelijkheid Kosovo', in: *NRC Handelsblad*, 4 March 2008.

<sup>501</sup> Press release of the Ministry of Foreign Affairs on 4 March 2008, source:

<http://www.minbuza.nl/en/news/newsflashes.2008/03/The-Netherlands-recognises-Kosovo.html> (last access: 07.03.2008).

\* Foundation for European Studies, European Institute.



securing for itself the membership in NATO and in the European Union. (...) And Poland supports Bosnia and Herzegovina in this pursuit. This is not a new attitude but it is worth underscoring. (...). This is part and parcel of Poland's consistent position which provides that the entry of 10 accession states to the EU, followed by the enlargement upon Bulgaria and Romania cannot put the enlargement process of EU to an end. On the other hand, obviously, the North Atlantic Treaty is a very efficient tool in the area which I had termed a year and a half ago 'exporting stability'. And there is no better exporter of that kind in the world. Coming now to Bosnia and Herzegovina, as a country with a complex internal structure, and also to other countries in Western Balkans, they do need such an affirmation of stability there. Obviously, they also need growth, economic growth and in this respect Poland should do somewhat better than it is doing now, in particular when it comes to the broadening of the scope of economic cooperation and investments. That being said, also stability is necessary to promote economic growth. Please, bear in mind that Bosnia and Herzegovina as well as other countries of the region have made immense progress in their stability process in recent years. This is noteworthy."<sup>502</sup>

#### Kosovo

The Polish government formally recognized Kosovo's independence on February 26, after an intensive debate, which took place between the chancellery of the Prime Minister and the President's Office. There was no severe controversy on the recognition itself but on the timing of this decision. President Lech Kaczynski opted for more time for reflection, sharing the view on this issue presented by the main opposition party (Law and Justice). Finally, the President declared, during his press conference of 25<sup>th</sup> of February 2008, that he would not oppose the decision of the Prime Minister in this respect. The Minister of Foreign Affairs, Radek Sikorski, presented the government's decision in his press conference on February 26, stating that "Poland's and other EU countries' decision should not bring precedence to other separatist tendencies in Europe"<sup>503</sup>.

<sup>502</sup> Quotation from President Lech Kaczynski, Press Conference, 17 December 2007.

<sup>503</sup> Radek Sikorski, Press Conference, quotation derived from *Gazeta Wyborcza*, 27 February 2008

According to the public opinion poles, 56% of citizens support Kosovo's independence against 23% of opponents (21% declared lack of any clear opinion)<sup>504</sup>.

#### Western Balkans - Enlargement

#### Portugal\*

#### Enlargement as ethical imperative

Portugal has traditionally been favourable to enlargement, both in terms of the elite and of public opinion. Notwithstanding the argument that might be made that this results in a loss of funds and market-share and even of foreign investment to poorer new members with lower labour costs. The question of enlargement still seems to be seen primarily, in normative terms. The ethical imperative prevails, of not denying other democratising countries the kind of opportunities that Portugal enjoyed by integrating the EU. This trend has remained relatively constant in terms of preferences expressed by Portuguese public opinion, notwithstanding the recent times of economic crisis.<sup>505</sup> But it is unclear what would happen if economic difficulties continue and some political protagonists were to forcefully raise the question of the possible costs to Portugal of enlargement. That populist possibility, however, does not seem to be in the horizon at present.

The broad Portuguese consensus in favour of enlargement – including in the more controversial case of Turkey – also means, however, public and published debate of these questions is limited. Namely, there was no significant public reaction to the Commission strategy document on enlargement.

Still the Portuguese Presidency made a point of presenting as a fitting final political and technological success – the necessary material and software was provided by a Portuguese company – the ability to enlarge Schengen to a number of Eastern European members, with the Portuguese Prime Minister stating "there could have been no better ending for the Portuguese presidency".<sup>506</sup>

<sup>504</sup> Report of SMG/KRC, see: Report of TVN24, published on-line on 22 February 2008.

\* **Institute for Strategic and International Studies.**

<sup>505</sup> *Eurobarómetro, Relatório Nacional Portugal*, Vol.67 (Spring 2007), p. 29.

<sup>506</sup> José Sócrates [Portuguese PM], EU Presidency News Release in: [http://www.eu2007.pt/UE/vEN/Noticias\\_Documentos/2007\\_1221socpolonia.htm](http://www.eu2007.pt/UE/vEN/Noticias_Documentos/2007_1221socpolonia.htm) (21.12.2007).

This is significant evidence that the political climate in Portugal is still broadly welcoming of further enlargement. But it would seem safe to say that this is the case only if enlargement continues to be followed by further integration, i.e. the new members, namely the recent arrivals, are seen as committed to the principles and aims of the Union, and if enlargement does not visibly detract from a commitment to funding the poorer regions of existing member states.

One exception to this lack of interest, lack of information and debate on enlargement to the East is the dispute between Kosovo and Serbia. This has been heavily reported on the Portuguese press. And has given rise to some degree of public debate and analysis, but unfortunately no opinion polls. Prominent concerns among opinion-makers and commentators have been references to the dangers of setting precedents that would encourage violent separatism elsewhere, not least in neighbouring Spain. There have also been ample references to the need to preserve EU unity. The academic Marques de Almeida, currently a senior advisor to the European Commission President, argues pointedly that Kosovo will be a 'crucial test' of EU external action on the ground in the most vital matter of all for its credibility: preserving peace in Europe.<sup>507</sup> A further cause of concern is the possibility of violence erupting as a result of an inability by the EU of keeping the process under control, not least because there are Portuguese troops stationed in Kosovo. Admiral Reis Rodrigues is paradigmatic of these concerns.<sup>508</sup> Another good example of the prevailing pessimism as to the ability of finding a good solution to the problem is the analysis of Ambassador Cutileiro, who was heavily involved in EU negotiating team trying to solve the Yugoslav problem in the 1990s and is now working with European Commission President Barroso, and does not believe that any good and fair national solution – that has been evading diplomats since the Versailles treaty of 1919 – will now miraculously emerge.<sup>509</sup>

The Portuguese government has reflected these domestic misgivings, by following a cautious line. This was particularly evident

<sup>507</sup> João Marques de Almeida, 'Kosovo e África', *Diário Económico* (10.09.2008).

<sup>508</sup> António Reis Rodrigues, 'Kosovo: A Atracção da Independência', *Defesa e Relações Internacionais* (30.11.2007).

<sup>509</sup> José Cutileiro, 'Curdos e Albaneses', *Expresso* (06.08.2007).

during the presidency. Portuguese officials made clear informally not to have to get dragged into Kosovo, and were hoping that the situation there would not develop in such a dramatic way so as to force them to be distracted from other more vital foreign policy concerns. After the presidency, Portuguese decision-makers and analysts converge on the need to avoid open violent conflict and any dramatic divisions within the EU, but it has no very clear or rigid position.

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## Western Balkans - Enlargement

### Romania\*

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#### Open-door policy for Western Balkan countries

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Ever since its own accession to the EU was achieved, Romania has consistently stated its position in favour of the entrance of the Western Balkan countries in the European Union. Thus, at the "Croatia 2007" summit held in Dubrovnik in July 2007, Prime Minister Călin Popescu-Tăriceanu, after identifying as the main challenges to the region "the domestic reform processes" and "the resolution of security issues pending", opined that both are closely linked to the "belonging to the European and Euro-Atlantic families". Also, in a substantial foreign policy speech delivered one year ago (24 January 2007), President Traian Băsescu referred to Romania's "ambition to demonstrate, through the force of its own example, that enlargement and deepening may go hand in hand [...] Romania pleads for an open-door policy, as a major factor for stimulating democratic reforms and economic development".

Beside these statements of principle, Romania considers that it may bring a positive own contribution to the acceleration of this process. In this respect, it repeatedly stressed its availability to share with the countries of the region its own experience and know how regarding the process of EU accession. In terms of concrete support given to the region, Romanian officials refer to the prominent part played by Romania, as holder of the rotating CEFTA presidency, in the accession to CEFTA of the Western Balkan countries, at the Bucharest summit of 19 December 2006, as well as its active involvement in the restructuring of the Stability Pact for South-Eastern Europe.

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\* European Institute of Romania.

The very recent Presidential elections in Serbia offered the opportunity for Romania to make a visible, albeit largely symbolic, gesture substantiating its availability to support the Southern enlargement of the Union. Thus, President Băsescu made a flash visit to Belgrade, on 29 January, that is, between the two rounds of the election, in a bid to support the position of the pro-Western candidate (recently re-elected President), Mr. Boris Tadic. Although he stated that he did not come in order to campaign for either side, President Băsescu made very transparent references to the options facing the Serbian people on 3 February 2008: “being part of the large European family or postponing”. On the same occasion, the Romanian President reiterated Romania’s position in favour of the signature of Serbia’s Stabilisation and Association Agreement with the EU, while regretting that the European Foreign Affairs Ministers declined to take a decision in this respect on the occasion of their 28 January 2008 meeting.

The *2007 Enlargement Strategy* issued by the Commission in November 2007 has not elicited concrete reactions in Romania at official level, nor public analyses or comments from academics or media. On the other hand, the “Brok Report” drafted for the European Parliament as a reaction to the above-mentioned Commission Communication, has raised a number of observations by Romanian MEP (and vice-chairman of the AFET Committee), Mr. Ioan-Mircea Pașcu. In particular, Mr. Pașcu seemed to regard the formulation “more than neighbor, less than member” used by Mr. Brok as being under-specified: 1) it applies indiscriminately to both categories of states, i.e. those who had been given the formal status of candidates, as well as those who “do not enjoy the same perspective”, hence the need to find different sets of instruments, prone to motivate the latter; 2) what sort of motivation can be used in order to encourage the latter countries to “continue the reforms according to the terms required by the European values”.

#### *The Kosovo issue*

The end of 2007 saw a clarification of the details of Romania’s position regarding the future status of the Serbian province. Romania had always expressed reservations as to the accession to independence by Kosovo, but a certain cacophony seemed to emerge in summer, when the President and the Prime Minister held rather different discourses on the

matter. While the differences may not have been substantial, they were (over-)exploited by the opposition, very prompt in highlighting any episode (whether real or not) of the ongoing political battle between the country’s top officials.

Thus, on 12 July 2007<sup>510</sup>, in Rome, Prime Minister Tăriceanu seemed to hint that the “Ahtisaari Plan” is a good solution for Kosovo, while the Foreign Affairs Minister, Mr. Adrian Cioroianu, was later suggesting that Romania is prepared to align itself to a “European consensus”, without making further qualifications. President Băsescu took this opportunity for reiterating that Romania is against the Ahtisaari solution “because it violates the territorial integrity” of Serbia, while making veiled references to “some dignitaries who are torpedoing” his own efforts to manifest “responsibility and credibility” in foreign affairs matters.

These apparently opposite positions have converged over time, however. At the governmental, as well as presidential levels a crucial qualification was made, in the sense that Romania is prepared to support any solution validated by a UN Security Council resolution. Absent this, Romania’s opposition to the independence scenario stands.

Speculations to the effect that Romania is thus *de facto* aligning its position to that of Russia (rather than to that of the EU) have been brushed aside both by Foreign Affairs Minister Cioroianu, who stated, following a visit to the US State Department in Washington (September 2007), that “Russia is using this issue in order to follow its own goals in the region”, and by President Băsescu, who – in a press conference held at the closing of the December 2007 European Council – reminded that he had held the same views in his investiture speech of January 2005, whereas Russia’s position vis-à-vis the independence of Kosovo is almost two years more recent.

On that same occasion, President Băsescu summarised the main arguments of Romania’s opposition to a Kosovar declaration of independence: lack of a Security Council Resolution; disrespect of fundamental principles of international law: territorial integrity, inviolability of borders; non-acceptance of the principle of collective rights for minorities.

<sup>510</sup> Cotidianul newspaper, July 27, 2007.

The Romanian Parliament has also taken position on the Kosovo issue: in a resolution voted on 20 December 2007, it expressed support for the continuation of efforts towards reaching a negotiated solution, while also asking the Romanian authorities to devise a coherent position in the eventuality of a unilateral declaration of independence. Importantly, the Parliament also proposed the organization of an EU summit dedicated to harmonising the positions of the various member countries as concerns the final status of Kosovo.

At the same time, the Romanian authorities were keen not to be seen as lacking solidarity with the country's EU partners and NATO allies. To this effect, Romania offered to contribute to the EU law enforcement force for Kosovo, but asked that a decision for its creation be taken before a possible unilateral declaration of independence by Kosovo, so as not to be faced with the situation of responding to the invitation of the authorities of a state that it does not recognize. The European Council made this decision in December 2007 and Romania has already committed 175 persons to its endowment. Foreign Affairs Minister Cioroianu reiterated Romania's support for the mission on the occasion of a meeting held in Bucharest, on 22 January 2008, with his Serb homologue, Mr. Vuk Jeremic. It remains to be seen how this position of Romania will finally tally with that repeatedly expressed by top Serb officials, in particular Prime Minister Vojislav Kostunica, who opposed the sending of such a mission on grounds that it would lead to the creation of a "puppet-state" in Kosovo.

The unilateral declaration of independence by the breakaway region of Kosovo was met in Romania with reactions consistent with the positions expressed prior to this unusual event. The day after the Kosovar initiative, on 18 February 2008, the Romanian Parliament voted an official statement to the effect of not recognizing the unilateral initiative of the Albanian population of Kosovo and showing full support for the similar positions expressed earlier by both the President and the Prime Minister. The statement was approved with a large majority, the only dissenting votes coming from the Hungarian minority's party (UDMR) which, oddly enough, is one of the two parties represented in the current (strongly minoritarian) Romanian government. This prompt reaction was later complemented by a brief visit to Bucharest, on 21 February 2008, by Serbian President Tadic, which occasioned

a strong show of support by the Romanian authorities and the corresponding expression of gratitude by the Serbian leader.

#### Western Balkans - Enlargement

#### Slovakia\*

#### Doubts about Turkish EU membership – No recognition of Kosovo

Slovakia as a member state of the EU has been a general supporter of the policy of further enlargement. As Table 1 illustrates, the official attitude of the political elite corresponds with the public opinion on this issue. However, a more comprehensive analysis of the public opinion shows that the support by the Slovaks is a fuzzy one. When asked, almost 78 percent of Slovaks agree with inviting other countries to join the EU in the future but at the same time they also think that the EU should not enlarge too fast (Eurobarometer surveys). The most cited concerns of Slovak population with regard to further enlargement are connected with possible economic influence of the future enlargement on the member states of the EU as well as with the doubts about the "value orientation" of some candidate countries. Following the development of popular support for further EU enlargement it is possible to observe slight but continual decline of the support among Slovaks. Even if the trends are negative, compared to EU-27 average support of the future enlargement (46%), Slovakia still belongs among the strong supporters.

**Table 1: Future Enlargement**

Attitude/Year	2004	2005	2006	2007
In favour	69 %	67 %	69 %	59 %
Against	17 %	19 %	21 %	30 %
Do not know	14 %	13 %	11 %	11 %

Source: Standard Eurobarometer 64, 66, 67.

According to polls, Slovaks are more enthusiastic about the perspective of EU membership for the countries of the Western Balkans, from which the most support goes to membership of Croatia. The most problematic seems the support for the potential Turkish EU membership (for more details see table 2).

\* Slovak Foreign Policy Association.

**Table 2: Support for a Particular Country**

	2005	2006
Croatia	79 %	84 %
Ukraine	55 %	58 %
Macedonia (FYROM)	53 %	60 %
Bosnia & Herzegovina	53 %	59 %
Serbia	49 %	53 %
Turkey	28 %	33 %

Source: Standard Eurobarometer 64, 66.

Regarding the political scene, the most audible opponent of Turkey's entry to the EU is the Christian Democratic Movement (KDH) that since the 2006 parliamentary elections has been in the opposition. In its pre-election manifesto the KDH stated that it "supports the enlargement of the European Union to countries that share common European values." Hence, the KDH "will support the enlargement to the Balkan states but will not endorse enlargement beyond Europe's borders." For Turkey the KDH deems a privileged partnership to be the best option. From other relevant political parties, only the Slovak National Party (SNS) shares the KDH's concerns. Rafael Rafaj, the head of the SNS's parliamentary club, said that "the entry of Turkey into the EU is unacceptable." According to Rafaj from the SNS, one of the three parties in Fico's governing coalition (the third member of the coalition is the Vladimír Mečiar led Movement for a Democratic Slovakia – HZDS), Turkey does not fulfil the basic political and human rights criteria and represents a threat for the 'islamization' of the EU<sup>511</sup>. Yet, Slovakia's government is internally divided in its support of Turkey's EU membership. On 11 December 2006 during his presentation in the parliamentary Committee on European Affairs Prime Minister Róbert Fico (the political party SMER-SD) stated "Slovakia supports the entry of Turkey into the European Union. This will be beneficial for both the EU and Turkey from economic, political and strategic standpoints."<sup>512</sup> The Prime Minister also added that we should not discriminate Turkey in the accession process only because its dominant religion differs from that within the EU.

In the case of Western Balkans, all relevant political parties are more or less united in their support for the future EU membership. Already in spring 2005, Slovakia's representatives opposed a decision of EU member states to

postpone the opening of entry talks with Croatia. After the announcement of the Union's compromise decision to open entry talks with Zagreb and Ankara at the same time, the Slovak representatives warmly welcomed such step. At that time the Prime Minister Mikuláš Dzurinda emphasized the security aspect of this decision. "Europe will be much safer if Turkey develops in a desirable way, if the Western Balkans develops in a desirable way and countries of the former Yugoslavia develop in a desirable way."<sup>513</sup> Former Foreign Affairs Minister Eduard Kukan highlighted the EU decision's political dimension. "We were very much aware that sending another negative signal about a disagreement over the issue of [future] enlargement would be simply bad."<sup>514</sup> Dzurinda said Slovakia would offer Croatia cooperation in negotiations over particular chapters of the *acquis communautaire* and added that Slovakia will strive equally hard to make Ukraine and Serbia and Montenegro follow suit, confirming that in the next round of EU enlargement, Slovakia will focus on countries that have been a matter of priority in its foreign policy.

Slovakia's new government (after the 2006 parliamentary elections) expressed the continuity of Slovak policy towards the future EU enlargement. Slovakia's officials subscribe to the continued support of EU enlargement to countries of the Western Balkans, in particular to Serbia that has been declared as one of Slovakia's foreign policy priorities since Bratislava's entry into the European Union. For the Prime Minister Robert Fico the "EU enlargement is the export of stability". Slovak government has been strongly supporting the previous Italian (2006) and nowadays Slovenian plans to renew negotiations on the stabilization and association agreement with Serbia. Foreign Minister Ján Kubiš expressed the Slovak position as follows: "We have to show clearly that if Serbia's new government (after elections in January 2007) is going to be ready to fulfil its obligations [vis-à-vis the International Criminal Tribunal for the former Yugoslavia], we shall categorically support the opening of negotiations on a stabilization and association agreement with Serbia in order to get Serbia and its citizens closer to the EU. Despite the complicated discussion on the integration capacity or institutional reform we

<sup>511</sup> „Fico potvrdil podporu Slovenska tureckému členstvu v EÚ“, ČTK, 11 December 2006.

<sup>512</sup> „Fico potvrdil podporu Slovenska tureckému členstvu v EÚ“, ČTK, 11 December 2006.

<sup>513</sup> SITA news agency, 4 October 2005.

<sup>514</sup> SITA news agency, 4 October 2005.



wanted to offer a clear signal to Serbia and its democratic forces already today.”<sup>515</sup>

Regarding the Kosovo status, Slovakia was among the four EU countries (together with Cyprus, Greece and Spain) that did not share the standpoint of other European Union countries on this issue before the December 2007 summit<sup>516</sup>. From the very beginning Slovak political parties were strongly opposed to Kosovo's independence. The reason for such standpoint originates in domestic politics. Slovakia's political elite is afraid of setting the Kosovo independence a precedent for other European countries and especially for southern parts of Slovakia that are inhabited by the Hungarian minority. Ján Slota, chairman of the SNS, expressed such concerns most clearly: "It is unthinkable for us that ethnic minority in whichever state would have a right to self-determination and a right to establish its own state.”<sup>517</sup> His coalition colleague from the dominant governing party SMER-SD and chairman of the parliamentary foreign affairs committee Boris Zala stated that Ahtisaari's plan could support "separatist endeavours of other ethnic minorities including the half million population of ethnic Hungarians in Slovakia.”<sup>518</sup> Also the current opposition leader Mikuláš Dzurinda (Slovak Christian and Democratic Union-Democratic Party – SDKÚ-DS) belongs to one of the strong opponents of the Kosovo independence in Slovakia. According to him, the international community should not establish an independent state against the will of Serbia. "There might be many unintended consequences of forced sovereign state Kosovo.”<sup>519</sup> Dzurinda stated examples as further disintegration of other states of former Yugoslavia as Macedonia, Bosnia and Herzegovina or other parts of Europe inhabited by ethnic minorities. Slovak Prime Minister Róbert Fico stated that an acceptable solution for Kosovo is only such that is revisable and the independence of Kosovo is not revisable<sup>520</sup>. Slovak political opinions on Kosovo's possible independence were officially expressed in the *Declaration of*

*the National Council of the Slovak Republic on solution of future status of Serbian province Kosovo*. The Declaration stated that "complete and boundless independence of Kosovo province is not in the interest of regional stability.”<sup>521</sup> Therefore the Slovak Parliament recommended giving up Ahtisaari's plan. The parliamentary declaration is not binding and should serve as advice to the Slovak government how to vote in the UN Security Council or behave in other international bodies. At the same time it clearly expressed the broad consensus on this issue in the Slovak political scene. The declaration was supported by 123 MPs out of 142 presented ones<sup>522</sup>. The only political party that supported the plan of special UN envoy was the Hungarian Coalition Party (SMK) in Slovakia.

In January 2008 during his visit of Parliamentary Assembly of the Council of Europe the Prime Minister Fico stated: "Our position is very cautious. We can only hardly imagine accepting the Kosovo independence without such acceptance from the side of international institutions.”<sup>523</sup> He assured that if it was a one-sided proclamation of independence it would not be enough for Slovakia to accept such independence. Fico later clarified that by international institutions he meant "a political consensus between the UN and the EU". Also, at the end of January 2008 the president of the Slovak Republic admitted that the independence of Kosovo was almost unquestionable. He also stated that: "It is sure that the Slovak Republic will not obstinately oppose the opinion of the European Union or the United Nations.”<sup>524</sup> Yet, following the declaration of Kosovo's independence on 17 February 2008 Slovakia has not recognized Kosovo as an independent state and such recognition seems unlikely in the near future.

<sup>515</sup> „Summit EÚ sa skončil bez zásadných rozhodnutí“, TASR, 15 December 2006.

<sup>516</sup> Cf. <http://www.euractiv.sk/obrana-a-bezpecnost/clanok/eu-sa-nedohodla-na-spolocnej-pozicii-o-kosove> (last access: 25.03.2008).

<sup>517</sup> Available at: <http://www.sns.sk/clanky/j-slota-prirovna-nezavisle-kosovo-k-mnichovu-691.html> (last access: 25.03.2008).

<sup>518</sup> SITA, 12. 2. 2007

<sup>519</sup> SITA, 8. 2. 2007

<sup>520</sup> Cf.

<http://aktualne.centrum.sk/domov/politika/clanek.phtml?id=216172> (last access: 25.03.2008).

<sup>521</sup> Declaration of the National Council of the Slovak Republic on solution of future status of Serbian province Kosovo, 28.03. 2007, available at: <http://www.nrsr.sk/appbin/Tmp/vyhlasenie.pdf> (last access: 25.03.2008).

<sup>522</sup> The total number of the MPs in the Slovak Parliament is 150.

<sup>523</sup> Available at: [http://spravy.pravda.sk/fico-kosovo-uzname-ak-tak-urobia-aj-ostatni-f2h-sk\\_svet.asp?c=A080121\\_133154\\_sk\\_svet\\_p23](http://spravy.pravda.sk/fico-kosovo-uzname-ak-tak-urobia-aj-ostatni-f2h-sk_svet.asp?c=A080121_133154_sk_svet_p23) (last access: 25.03.2008).

<sup>524</sup> Správy TA3, 29. 1. 2008.

## Western Balkans - Enlargement

## Slovenia\*

## Western Balkan countries a top priority of Slovenian EU Presidency

Slovenian attitude towards the integration of countries of the Western Balkans into the EU is predominantly positive. In its annual declaration on guidelines for the work of the Republic of Slovenia in the institutions of the EU,<sup>525</sup> the Slovenian Parliament declared that Slovenia will strive to maintain enlargement high on the EU's agenda, since the enlargement perspective is the most important political instrument for achieving stabilisation of the countries of the Western Balkans and their structural, economic and political reforms. The declaration stresses that the countries of the Western Balkans have a clear European perspective and Slovenia will endeavour for their early accession to the EU on the basis of the Thessaloniki agenda and the strict fulfilment of the accession criteria. More specifically, it pledged Slovenia's support for reform process in Macedonia, in order for this country to receive a date of the beginning of accession negotiations as soon as possible. The declaration also states that specific attention will be paid to a European perspective of Serbia, since Serbia is crucial for stability and progress in the region. Slovenia's support for Montenegro and Bosnia and Herzegovina is also mentioned.

Government's stance on the Western Balkans is consistent with the principles and goals stated in the declaration. At the time of publishing of the reports in the beginning of November, Slovenia was already fully preparing to take over the Presidency of the EU in the first half of 2008 and it was well known that progress in the Western Balkans countries' integration into the EU is to be one of the main priorities of the Slovenian Presidency. Slovenian Foreign Minister also visited Belgrade, Skopje and Priština in late October, pledging Slovenia's support in endeavours of Serbia and Macedonia to meet the criteria as well as in retaining the momentum for enlargement during its Presidency. Prior to Foreign Minister's visit to

\* Centre of International Relations.

<sup>525</sup> Deklaracija o usmeritvah za delovanje Republike Slovenije v institucijah Evropske unije v obdobju januar 2007 – junij 2008 (DeUDIEU0708) [Declaration on the directions for activities of the Republic of Slovenia in the EU institutions in the period 2007 – June 2008], adopted by the National Parliament of the Republic of Slovenia on 27 March 2007, Uradni list RS 31/2007 of 6 April 2007.

Belgrade, Skopje and Priština, the Ministry of Foreign Affairs issued a statement presenting the principles and goals of Slovenian policy towards Western Balkans.<sup>526</sup> The statement stresses the importance of Serbia for stability in South Eastern Europe and declares Slovenia's support for an accelerated accession process for Serbia, it pledges support for the region's economic progress and progress towards integration into the EU in general. In relation to Kosovo it states that the existing plans for the solution of the status of Kosovo would benefit from a special concern paid to the rights of minorities.<sup>527</sup> Support for Macedonia's progress towards the beginning of accession negotiations has also been expressed in Prime Minister Janša's letter to the members of European Council at the end of September 2007,<sup>528</sup> Slovenian Government hopes for the date of the beginning of accession negotiations with Macedonia to be set during its Presidency in the first half of 2008.<sup>529</sup>

The annual progress reports as such did not arouse larger debate. Ministry of Foreign Affairs expressed its satisfaction over the progress made by countries of the Western Balkans in their integration to the EU and stressed its satisfaction over the confirmation of the European perspective for these countries given in the report. Bigger importance was given to the issue of Croatia's implementation of the Adriatic ecological and fisheries zone for the countries of the EU, which is an issue in bilateral Slovenian-Croatian relations.<sup>530</sup> To Slovenian's satisfaction, the report on Croatia calls for the

<sup>526</sup> Statement of the Ministry of Foreign Affairs prior to Foreign Minister's Rupel visit to Belgrade, Skopje and Priština, 23 October 2007, available at: [http://www.mzz.gov.si/index.php?id=13&tx\\_ttnews\[tt\\_news\]=23633&tx\\_ttnews\[backPid\]=](http://www.mzz.gov.si/index.php?id=13&tx_ttnews[tt_news]=23633&tx_ttnews[backPid]=) (last access: 22 January 2008).

<sup>527</sup> Statement of the Ministry of Foreign Affairs prior to Foreign Minister's Rupel visit to Belgrade, Skopje and Priština, 23 October 2007, available at: [http://www.mzz.gov.si/index.php?id=13&tx\\_ttnews\[tt\\_news\]=23633&tx\\_ttnews\[backPid\]=](http://www.mzz.gov.si/index.php?id=13&tx_ttnews[tt_news]=23633&tx_ttnews[backPid]=) (last access: 22 January 2008).

<sup>528</sup> STA (30 September 2007), Jutranji list o Janševem pismu Barrosu: Srbiji čim prej status kandidatke EU [Jutranji list on Janša's letter to Barroso: Early candidate status for Serbia].

<sup>529</sup> STA (19 November 2007), EU/2008: Slovenija za Zahodni Balkan in Evropsko pogodbo [Slovenija for Western Balkans and European treaty].  
<sup>530</sup> STA/Ministry of Foreign Affairs (30 November 2007), Eye on Slovenia: Slovenia and Western Balkans, No 22, available at: [http://www.mzz.gov.si/fileadmin/pageuploads/Novinarsko\\_redisce/sta/BiltenSTA\\_nov2007eng.pdf](http://www.mzz.gov.si/fileadmin/pageuploads/Novinarsko_redisce/sta/BiltenSTA_nov2007eng.pdf) (last access: 22 January 2008).

issue of the non-application of the ecological and fishing protection zone in the Adriatic to EU member states to be resolved.

It is worth mentioning that the main political actors, primarily Prime Minister Janša and Foreign Minister Rupel, stressed on numerous occasions<sup>531</sup> the necessity for a revival of a Thessaloniki agenda, paired with strict fulfilment of all the enlargement criteria.

#### *Status of Kosovo and the future of EU-Serbia relations*

Slovenia's position on the future of Kosovo is shaped by three factors: historical closeness to Kosovo, geographic closeness and economic ties with Serbia, and the role as a country holding the rotating Presidency of the EU in the first half of 2008. Each of these factors has a specific effect on Slovenian attitude. The first shapes the Slovenian stance towards a pro-independence bloc, which resulted in a tacit support for the Ahtisaari plan (though with improvements regarding the protection of minorities).<sup>532</sup> The second suggests reservation and strong support for Serbia's EU perspective, which has been confirmed in Prime Minister's letter to the members of European Council,<sup>533</sup> as well as declared by the Ministry of Foreign Affairs.<sup>534</sup> The third gives it a hideaway in its neutral role, placing all efforts on keeping the united European

position on the matter, which has been called upon by Prime Minister and Foreign Minister on numerous occasions.<sup>535</sup>

In a letter to members of European Council in late September, Prime Minister Janša stressed the importance of a united European stance over the issue of the status of Kosovo, but he also called for a 'fast-track' procedure for Serbia's membership in the EU, more precisely, he suggested de-coupling of the Kosovo issue from Serbia's EU perspective and a candidate status given to it (provided Serbia meets the criteria) in the first half of 2008.<sup>536</sup>

There are two additional elements regarding the Kosovo issue: Slovenia's aptness to play a more decisive role and a fairly new element of a 'European' or 'global' solution. The first is a common element in a discourse of Kosovo in Slovenia. Allegedly Slovenia, i.e. its policy-makers, possess knowledge on the subject that justifies hopes laid upon it to contribute to the solution of the problem. Foreign Minister Rupel commented on an occasion that he "notices a shortage on understating of a problem, shortage on knowledge of history."<sup>537</sup> Ministry of Foreign Affairs established a high-profiled Centre for European Perspective to justify Slovenia's knowledge and readiness to contribute. Whereas Slovenia can undoubtedly contribute on numerous issues and policy developments in the candidate and potential candidate countries, deeper knowledge on a political issue with such a heavy weight as the one of resolving the Kosovo status is particularly difficult to combine with the non-biased role of the country holding the Presidency.

Slovenian foreign policy is to a large extent European oriented and with preparations on the Presidency it is only natural that Prime Minister Janša stressed that in his view "Europe should take the lead regarding Kosovo issue and make a step forward." He proposed that the EU should prepare a timeline according to which this question would be in

<sup>531</sup> Foreign Minister Rupel at the meeting with Austrian diplomats in Vienna on 3 September 2007, STA (3 September 2007), Rupel na Dunaju o izzivih slovenskega predsedovanja EU; Statement of the Ministry of Foreign Affairs prior to Foreign Minister's Rupel visit to Belgrade, Skopje and Priština, 23 October 2007, available at: [http://www.mzz.gov.si/index.php?id=13&tx\\_ttnews\[tt\\_news\]=23633&tx\\_ttnews\[backPid\]=](http://www.mzz.gov.si/index.php?id=13&tx_ttnews[tt_news]=23633&tx_ttnews[backPid]=) (last access: 22 January 2008); Prime Minister Janša in a letter to the members of European Council at the end of September, STA (30 September 2007), Jutranji list o Janševem pismu Barroso: Srbiji čim prej status kandidatke EU [Jutranji list on Janša's letter to Barroso: Early candidate status for Serbia]; Prime Minister Janša in Ostrava on 10 December 2007, STA (10 December 2007), Evropa mora povzeti pobudo glede Kosova [Europe must take the initiative on Kosovo].

<sup>532</sup> Statement of the Ministry of Foreign Affairs prior to Foreign Minister's Rupel visit to Belgrade, Skopje and Priština, 23 October 2007, available at: [http://www.mzz.gov.si/index.php?id=13&tx\\_ttnews\[tt\\_news\]=23633&tx\\_ttnews\[backPid\]=](http://www.mzz.gov.si/index.php?id=13&tx_ttnews[tt_news]=23633&tx_ttnews[backPid]=) (last access: 22 January 2008).

<sup>533</sup> STA (30 September 2007), Jutranji list o Janševem pismu Barroso: Srbiji čim prej status kandidatke EU [Jutranji list on Janša's letter to Barroso: Early candidate status for Serbia].

<sup>534</sup> Statement of the Ministry of Foreign Affairs prior to Foreign Minister's Rupel visit to Belgrade, Skopje and Priština, 23 October 2007, available at: [http://www.mzz.gov.si/index.php?id=13&tx\\_ttnews\[tt\\_news\]=23633&tx\\_ttnews\[backPid\]=](http://www.mzz.gov.si/index.php?id=13&tx_ttnews[tt_news]=23633&tx_ttnews[backPid]=) (last access: 22 January 2008).

<sup>535</sup> Press reported the endeavour for a united stance after Foreign Minister Rupel's visits to Portugal in September, Berlin in November, etc. Foreign Minister also stressed the work on keeping the EU position together in a speech at the "TEPSA Pre-Presidency conference" on 3 October 2007 in Ljubljana.

<sup>536</sup> STA (2 October 2007), Bruselj pozdravlja namere Slovenije za spodbudo Balkanu [Brussels welcomed Slovenia's intentions for incentives for Western Balkans].

<sup>537</sup> STA (20 December 2007), Rupel: Naše geslo je Si.nergija za Evropo [Rupel: Our motto is Si.nergy for Europe].

the process of solution also during the Slovenian EU Presidency.<sup>538</sup>

The new Slovenian President, Dr. Danilo Türk, however, a former high ranking diplomat in the United Nations, brought a broader perspective into the Slovenian (European) foreign policy. After being a Slovenian Ambassador to the United Nations, while he also held the Chair of the Security Council, he served as Deputy Secretary General for Political Affairs in the cabinet of Kofi Annan. Dr. Türk entered the office in late December. In a conversation on the current foreign policy issues in the beginning of January (thus only a fortnight after taking up the office), he presented his views on Slovenia's aptness and the European task. Dr. Türk's view is that Slovenia does not have special competence to propose solutions for Kosovo due to its geographical and historical proximity to the area. One has to understand the issue of Kosovo as a global question, he explained. And the resolution of the status of Kosovo should not be understood as a solution to all trouble in the region. He explained that while working in the United Nations he perceived the Kosovo question as one of the big world issues which are of everyone's interest, just as the Palestinian or Korean questions. He concluded that more efforts should be devoted to reflections on the integration in Europe and he also stressed that Europe in the recent history does not dispose of models sophisticated enough to integrate Islamic element into its cultural-social mainstream. Here, we could learn more from the models, developed in the former Yugoslavia, he proposed.<sup>539</sup>

#### Western Balkans - Enlargement

### Spain\*

#### Kosovo's independence a highly controversial issue

Enlargement to the East entails a number of challenges for Spain. It does not stand to gain from the economic opportunities of enlargement but will suffer from the

<sup>538</sup> STA (10 December 2007), Janša: Evropa mora prevzeti pobudo glede Kosova [Janša: Europe must take the initiative regarding Kosovo].

<sup>539</sup> RTV SLO (9 January 2008), Türk: Za Kosovo nismo pristojnejši, Slovenski predsednik o zunanji politiki [Türk: We do not have special competence for Kosovo, Slovenian President of the Republic on Foreign Policy], available at: [http://www.rtv slo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=162109](http://www.rtv slo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=162109) (last access: 13 January 2008).

\* Elcano Royal Institute.

consequences (reduced structural funds, increased migratory flows, industrial relocation and disinvestment and trade competition in key markets). Nevertheless, for historical and moral reasons Spain has supported the enlargement process from the very beginning and continues to back future developments. The Spanish government backs not only the entry of Turkey and Croatia but also of the Former Yugoslav Republic of Macedonia.

According to Spain's Foreign Affairs Minister, Miguel Angel Moratinos,<sup>540</sup> Turkey's membership of the EU is a 'strategic issue'. Successive Spanish governments (whether Conservative or Socialist) have backed Turkey's entry to the EU for a number of different reasons which have to do with the EU's general political, economic and security interests, while not considering questions of cultural or religious identity to be central to the issue.

Concerning Croatia, the government has supported the opening of negotiations and considers that talks are progressing very satisfactorily. It believes Croatia's future membership to be a decisive factor for the Balkan region.

As regards potential candidate countries, Spain supports all initiatives and efforts to make progress in the improvement of the political situation in the Balkans through the Association and Stabilisation Process. According to the Spanish government, Spain has a commitment towards these countries and backs the idea that their future should only be within the EU.<sup>541</sup>

In general, enlargement is a topic without relevance in the mass media and in political debate, with the exception of Turkey. Nevertheless, even in the latter case, there is no significant debate about the advantages and disadvantages of Turkish membership or of its consequences for Spain. According to the 15th Wave of the Elcano barometer (June 2007),<sup>542</sup> most Spaniards believe that Turkey's situation is very bad or bad (59%) and only 20% consider it is good or very good. Regarding Turkey's relations with the EU, 56% are opposed to Turkey's future membership, while 25% believe it should be a privileged

<sup>540</sup> Statement by the Minister of Foreign Affairs at the Spanish Congress of Deputies, 10 May 2007.

<sup>541</sup> Spanish Permanent Representation before the EU, July 2007, see: [www.es-ue.org](http://www.es-ue.org).

<sup>542</sup> See: [www.rielcano.org](http://www.rielcano.org).



partner but not a member and 33% believe it should be a full member. The results for the latest Elcano barometer (November 2007) remain practically unchanged, with the exception of those who are opposed to Turkish membership (down to 25%).

Kosovo's future is also a highly delicate and controversial issue in Spain.

It is feared that separatist sectors of Basque and Catalan nationalists could manipulate a unilateral declaration of independence from Serbia.

The Spanish government has insisted that there is no possible comparison and that there are no elements in the case of Kosovo that could be transposed to the domestic political debate.

Spain has expressed its refusal to accept the 'unilateral declaration of independence of Kosovo'. For the Spanish government, such a declaration should not be viewed positively as it would constitute a breach of international law. Spain bases its position on the principles of 'respect of international law and of European unity'.

According to several analysts and government officials the independence of Kosovo was the US government's first option and no alternative options were fully analysed, including the rejected Serbian proposal. There are a number of options that recognise Kosovo's special position without having to resort to a unilateral declaration of independence, which would likely generate even more problems, and Spain believes that EU unity and credibility must be preserved. Consequently, the Spanish government will predictably back the European position on this issue. The EU is unlikely to recognise the new State and each country will act according to its own domestic context.

As stated above, this is a controversial issue in domestic politics. When the Prime Minister, José Luis Rodríguez Zapatero, presented the results of the European Council to the Spanish Parliament (December 2007) he was severely criticised regarding this issue.<sup>543</sup> The main opposition party, the centre-right Popular Party, expressed its disagreement with some of the European Council's conclusions. Its leader, Mariano Rajoy, criticised the lack of a European appeal to the Security Council to

substitute the UN's current Resolution 1244. Nevertheless, he considered it positive – although insufficient – that the European Council had underlined that the resolution of Kosovo's status was a *sui generis* case that did not set a precedent. He would have liked the Council's conclusions to include the fact that territorial integrity and the stability of borders are prime elements of the European order and should not be modified by unilateral action.

Paradoxically, nationalist parties such as Esquerra Republicana (leftist and pro-Catalan independence) and the Partido Nacionalista Vasco (centre-right Basque nationalist) criticised the same paragraph of the Council Conclusions but with the opposite meaning. They believe the independence of Kosovo sets a precedent for the genuine and legitimate aspirations of other nations integrated in European states, such as the Basque Country and Catalonia.

Concerning relations between the EU and Serbia, the Spanish Secretary of State for the EU, Alberto Navarro, believes that the proposal for an interim Political Agreement on cooperation with Serbia – providing a framework for making progress on political dialogue, free trade, visa liberalisation, and educational cooperation and to be signed on 7 February 2008 – is a very positive message sent to the Serbian people. However, he recognised that if the ultranationalist Tomislav Nikolic wins the second round of the Serbian elections on 3 February the scenario would become very difficult. Nevertheless, he stressed that Serbia's future is within the EU as a full member.<sup>544</sup>

#### *After Kosovo's declaration of independence: a short update*

The Spanish government has reacted with startling severity against the declaration of independence. However, Spain does not feel comfortably being in minority within the EU, specially when countries such as France, United Kingdom or Germany backed the Kosovo's independence.

The main opposition party (the Popular Party) has given its support to the government position and has demanded to not participate in the Kosovo's EU mission.

<sup>543</sup> Plenary Session of the Spanish Congress of Deputies, 19 December 2007.

<sup>544</sup> Press conference, Secretary of State Alberto Navarro, 28 January 2008, see: [www.es-ue.org](http://www.es-ue.org).



It should be noted that the independence of Kosovo comes in the middle of an election campaign, the vote will be held on March, 9<sup>th</sup>, 2008.

## Western Balkans - Enlargement

### Sweden\*

#### Security-political importance of enlargement

For a long time, all the major political actors in Sweden – for instance, all parties in the parliament – have been in favour of a broad and continued enlargement of the EU. Although the opposition parties are not as vocal as in previous years on this issue, there are no signs of redirection of policy – to take one example, the Green Party continues to argue that rather than the EU determining the outcome, it is to be decided (preferably in a referendum) by each individual country whether they would like to join the EU or not.<sup>545</sup> The government, for its part, has repeatedly stressed the security-political importance of enlargement as well as the natural progression to the Western Balkans and also Turkey. The reason, in the end, for this approach is to be found in the logic of enlargement as a security process (based on interdependence, democratization and economic growth) of historical proportions.<sup>546</sup> In the annual declaration on foreign policy, the government put it the following way: “Sweden will continue to be a clear voice for a Union open to European countries that want to and can meet the requirements made by membership. Ultimately this is about peace and freedom in our part of the world in our time.”<sup>547</sup>

In relation to the concluded negotiations on the reform treaty the government regards the outcome of keeping the enlargement process intact (although not articulating any specific

\* Malmö University/Stockholm International Peace Research Institute.

<sup>545</sup> See <http://www.mp.se> (last access: 04.03.2008).

<sup>546</sup> Speech by Carl Bildt, Minister for Foreign Affairs, at “The Bosphorus Conference: The EU and Turkey – Drifting Apart?”, 2007-10-06, available at: <http://www.regeringen.se>; Speech by Cecilia Malmström, Minister for EU Affairs, in the Swedish parliament concerning the Swedish Council Presidency, 2008-01-24, available at: <http://www.regeringen.se> (last access: 04.03.2008).

<sup>547</sup> Statement of Government Policy in the Parliamentary Debate on Foreign Affairs, 2008-02-13, available at: <http://www.regeringen.se> (last access: 04.03.2008).

speed for it) as very important – “No new obstacles were introduced to further enlargement, a very important issue to the Swedish government.”<sup>548</sup>

It should also be noted that the government makes an explicit connection between enlargement and the EU as a global power. Foreign Minister Carl Bildt argues: “I belong to those that hope that we will one day see Turkey as a full member of the European Union...Such a European Union would in my opinion be an even stronger global force than the one we can envisage today.”<sup>549</sup>

Regarding the future of Kosovo, following the declaration of independence, it was quite readily understood what the Swedish response would be, given Sweden’s history of underlining the importance of international law and national self-determination (for instance seen in relation to the fall of the Soviet Union and the recognition of the Baltic states) and its prior engagement for solutions to the political problems of the Western Balkans. The government waited, however, with its formal recognition until March 4, 2008, in order to discuss with and get the approval of the opposition parties in Utrikesnämnden (the formal foreign affairs council that includes the party leaders of all the parties in parliament). The fact that the government waited for three weeks before formally recognizing the new state led to criticism from among others the Social Democrats, who would have liked a much more rapid response. The Left Party, on the other hand, wanted to wait even longer, referring to the importance and severity of the issue.<sup>550</sup>

## Western Balkans - Enlargement

### Turkey\*

#### ‘Question marks over Turkey’s membership prospects’?

In Turkey, the EU *strategy document* on enlargement was received with disappointment

<sup>548</sup> Speech by Cecilia Malmström, Minister for EU Affairs, “The New EU Treaty – a Big Deal?”, 2007-09-17.

<sup>549</sup> Bildt, “The Bosphorus Conference: The EU and Turkey – Drifting Apart?”, 2007-10-06.

<sup>550</sup> See the government web-site for the latest information, available at: <http://www.regeringen.se> (last access: 04.03.2008); also “Sverige erkänner Kosovo” [Sweden recognizes Kosovo], Dagens Nyheter, 2008-03-04, available at: <http://www.dn.se> (last access: 04.03.2008).

\* Center for European Studies / Middle East Technical University.

primarily due to the rigid French position on Turkey since Sarkozy assumed power. Turkey's discontent was a consequence of French politicking which resulted in EU reference to "negotiations" with Turkey rather than to Turkey's full membership objective and accession negotiations process as was regularly done. Turkish reaction was reflected in an official statement by the Ministry of Foreign Affairs and in declarations by various civil society actors, among others, the Turkish Industrialists' and Businessmen's Association (TUSİAD).<sup>551</sup> Leaving aside the discontent, the content of the progress report on Turkey was perceived as balanced, one that praised Turkey in its overall assessment despite various criticisms with respect to the speed of reform and implementation processes. As such, the necessity to speed up the reform process is a widely recognised aspect of the Turkey-EU relations and Turkey's accession process. In this respect, a number of issues were hotly debated in Turkey such as Article 301 of the Penal Code. Article 301 penalizes "insulting Turkishness, the Republic as well as the organs and institutions" and has repeatedly been used to prosecute non-violent opinions expressed by journalists, writers, publishers, academics and human rights activists. The necessity to change the Article was given special emphasis by the opinion leaders, media and political figures. The desire for change also received widespread support from different factions of the society, political as well as economic. Other issues that were widely debated at the political and economic elite level and/or among the wider public in general are issues such as human rights and minority rights, the status of the Orthodox Church, and the Cyprus problem.

The uncertainty and ambiguity of messages at the EU as well as at the EU member states level seems to be influencing the public opinion in a negative way. Although Turkey's commitment to EU membership continues, the

<sup>551</sup> See Ministry of Foreign Affairs press release NO: 181 - Press Statement Regarding the Paragraphs on Turkey and EU's Enlargement Strategy (Unofficial Translation), December 14, 2007, [http://www.mfa.gov.tr/MFA/PressInformation/PressReleaseSAndStatements/pressReleases2007/December/NO181\\_14December2007.htm](http://www.mfa.gov.tr/MFA/PressInformation/PressReleaseSAndStatements/pressReleases2007/December/NO181_14December2007.htm); and the TUSİAD Press Release, The French Government Should Cease Its Hostility Against Turkey's EU, Process, Brussels, December 11, 2007, [http://www.tusiad.org/tusiad\\_cms\\_eng.nsf/BasinAll/6AFCD4F460E7B45CC22573B5002A4D63/\\$File/20071211TUSIA DPREUCouncil.pdf](http://www.tusiad.org/tusiad_cms_eng.nsf/BasinAll/6AFCD4F460E7B45CC22573B5002A4D63/$File/20071211TUSIA DPREUCouncil.pdf). For statements and the reaction of various business associations and business(wo)men see *Radikal* daily, December 13, 2007.

enthusiasm in Turkey seems to be losing ground among the public in general. The belief that EU membership is a good thing for Turkey and that Turkey is likely to join the EU is finding less and less public support.<sup>552</sup>

Despite the question marks over Turkey's membership prospects into the EU, the general perception in Turkey has been to support the cooperation and integration of the countries in the Western Balkans (including Serbia given it fulfils its international commitments) with the Euro-Atlantic institutions, especially the EU. The EU is perceived, as the only viable setting that would foster peace, stability, regional cooperation and development given the size and the problems that persist in the countries of the region.

Turkey has followed a cautious policy towards the developments in the Balkans, especially with respect to the debates and negotiations over the status of Kosovo. It is widely perceived in Turkey that mismanagement of the Kosovo issue can create a domino effect beyond Western Balkans. Therefore, in Turkey's bilateral relations with the countries of Western Balkans Turkish officials have emphasised the need to solve the issue in a peaceful manner without creating any confrontations. Turkey has been diplomatically active reiterating its position while hosting Serbian President Boris Tadić in November 2007, President of the Albanian Parliament Jozefina Topalli Çoba in December 2007, Montenegrin Minister of Foreign Affairs Milan Roçen and Macedonian Minister of Defence Lazar Elenovski in January 2008. The Kosovo issue is also of importance because of the small number of Turkish minority living in Kosovo. The Ahtisaari Plan for Kosovo, though not perceived as the ideal solution, was seen as the only alternative and was also given credit for the framework of minority rights that it envisaged. After the failure of the negotiations for a solution Turkey's Prime Minister Recep Tayyip Erdoğan has publicly declared that Turkey is positive on Kosovo's independence.<sup>553</sup> Yet, similar to a number of EU member states Turkey still has concerns that independence of Kosovo might spur separatist movements and policies, especially in relation to the Kurdish problem. Accordingly, officials in Turkey have been careful to emphasise that the two cases have different basis. This was also reiterated in relation to

<sup>552</sup> Transatlantic Trends, Key Findings 2007, pp. 10-11, available at: [www.transatlantictrends.org](http://www.transatlantictrends.org).

<sup>553</sup> *Zaman* daily, January 14, 2008.

worries of the Greek Cypriot authorities that declared that Kosovo might set a precedent for Northern Cyprus.

#### Western Balkans - Enlargement

#### United Kingdom\*

#### Two considerations: arresting the Union's "deepening", and the scale of immigration

*Commission strategy document, British attitudes towards enlargement*

There was little or no reaction in the national media to the release of the Commission's November strategy document on enlargement. Attitudes towards the enlargement of the European Union in the UK are informed by two major considerations. British public and political sentiment to enlargement, which remains at present broadly favourable, is likely over the coming months and years to be a function of these two underlying considerations.

First, enlargement is seen by some analysts as a means by which the European Union's 'deepening' integration might be arrested: by increasing the diversity and unwieldiness of the Union. Given the balance of political opinion in the UK, this analysis is central to the UK's general enthusiasm for continued enlargement.

Secondly and contrastingly, domestic political debate is increasingly coloured by recent experiences of very high levels of immigration from those states which joined the Union in 2004, particularly Poland. The Government has been criticised for its gross underestimate of the likely scale of immigration from the new member states, and, while the population's first-hand experience of the "Polish plumber" has been overwhelmingly positive, there is a growing belief that the strain placed on public services, and on certain sections of the British labour market, has been excessive. Reflecting – and perhaps exacerbating – this appreciation, the Government has temporarily restricted the influx of workers from Romania and Bulgaria. Enthusiasm for further enlargement in British public opinion may therefore in future be dependent upon the perceived likelihood of large-scale immigration to Britain from particular candidate countries. An additional factor, domestic concern over the effective integration of Muslim minorities into British life, translates into greater concern over

the effects of prospective large-scale immigration from countries such as Albania and Turkey, should they accede to the Union.

#### *Kosovo / Serbia & Montenegro*

The British Government, like many other EU member states, recognised Kosovo the day after its declaration of independence from Serbia and Montenegro. Foreign Secretary David Miliband has stressed that Kosovo should not represent any kind of precedent for other regions in Europe with aspirations of greater autonomy; notably the Basque in Spain. The British Government considers Kosovo's declaration the conclusion of the process mandated by UN Resolution 1244<sup>554</sup>, and continues to take a firm line with regard to Serbia's co-operation with the International Criminal Tribunal in The Hague. Coverage of this issue in the media has not been extensive, though public opinion has not shown any signs of unease at the Government's approach. The British Government seems willing to smooth existing difficulties in the relationship between Serbia and the EU as a quid pro quo for the Union's recognition of Kosovan independence, but this willingness stops short of a commitment to Serbian membership of the EU by a particular date.

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<sup>554</sup> Foreign and Commonwealth Office: Kosovo: Is It Legal?, available at: [http://blogs.fco.gov.uk/blogs/david\\_miliband/archive/2008/02/17/16241.aspx](http://blogs.fco.gov.uk/blogs/david_miliband/archive/2008/02/17/16241.aspx) (last access: 03.03.2008).

\* Federal Trust for Education and Research.

# 3

## European Neighbourhood Policy (ENP) and Russia

- **Please outline the positions in your country with regard to the following aspects of ENP:**
  - **Key regions/countries for ENP**
  - **The new “enhanced agreement” with Ukraine**
  - **The beginning of negotiations on a new partnership agreement with Russia**
  - **The Nordic dimension of ENP and Baltic cooperation**
  - **Black Sea Synergy / Black Sea Cooperation**
  - **The potential impact of Sarkozy’s project “Mediterranean Union” on ENP**
  - **The biggest challenges from ENP regions – East and South (immigration, security, energy, etc.)**
  - **The probable impact of new provisions of the Lisbon Treaty on external relations and ENP**

## European Neighbourhood Policy and Russia

### Austria\*

#### Black Sea region in focus

EP member Hannes Swoboda (SPÖ) has opted for a stronger involvement in Central Asia. The EU should create a ring of friends around the Union, this should be realised through an enlarged Black Sea Union which comprises the Ukraine, Moldova, Turkey, the southern Caucasus (Georgia and Azerbaijan) and Central Asian countries, he said. The aim of this strategy should be to safeguard energy supplies. Swoboda regards the EU's establishment in Central Asia as one of the most ardent issues of foreign policy, as these energy-rich countries are extremely important for Europe's supply with energy. He added, however, that interest in closer co-operations would be mutual as the Central Asian states also aim to open up to new partners and decrease their dependencies from Russia. In this strategy Turkey would play a key role, therefore Turkey should be closely attached to the EU through the means of negotiations.

Undersecretary Christine Marek emphasised that the Austrian government regarded the Black-Sea region as an energy and transport-hub for Asia and the Caspian region and as a focus of its regional policy. The linking of the Danube region with the Black Sea region was essential as it would not only link East and West but would also increase trade and contribute to the diversification of energy supplies, said Marek. She mentioned in this context the Nabucco Gas Pipeline project which would also pass through this corridor. She said that Austria aims to become a hub for energy and a diplomatic platform for increased interregional and multinational initiatives and dialogue.

The Green Party has defended an open and creative neighbourhood policy. They have criticised the provided financial means as insufficient. In order to grow into a peaceful and cooperative Europe, the EU will have to conduct an active neighbourhood policy, they say.

With regard to the Mediterranean Union, commentators have expressed their scepticism. The media has usually depicted the project as French President Nicolas Sarkozy's personal hobby. Observers in the

Austrian media point to the fact that there has already been much controversy on this issue in the run-up to the French presidency, when Sarkozy wants to present detailed plans. Therefore it is deemed to be rather unlikely to be realised. After all, beside France, Italy, and Spain which support the idea, some member countries as Germany have objected to the project. Libya has reacted enthusiastically to the idea, however, by mentioning at the same time that such a union should not include Israel which in return was immediately rejected by France. Other commentators have criticised the project as a means to increase French influence and French exports to the region which also undermines the neighbourhood policy which was, however, not very successful.

With regard to the start of negotiations for a new partnership agreement with Russia, Austrian opinion-makers have expressed their relief that Poland and Russia seem to have settled their dispute and that Poland's suspension of its boycott will open the way for negotiations. The foreign ministry declares that from an Austrian point of view the implementation of the Four Common Spaces is particularly important.

However, particularly in the media there is also criticism about Russia. Commentators have criticised the lack of democracy, limitations of the freedom of speech and President Putin's authoritarianism. Christoph Prantner for instance criticises that in the past Russia has successfully driven a wedge in European politics.<sup>555</sup> Russia has been following a policy of bilateralism. It has made separate deals with various European countries. Prantner concludes that only a common stance in the Union can force Russia to conduct an EU-policy rather than seeking bilateral arrangements.

The Austrian government has welcomed an enhanced agreement with the Ukraine, as it is stated that such a plan would mean the taking up of Austria's proposals stipulated in the Hungarian-Austrian paper on future policies vis-à-vis Ukraine in 2003. An enhanced agreement would then imply the establishment of a free trade zone with Ukraine after the country's accession to the WTO.

<sup>555</sup> Christoph Prantner: Moskaus Keile im EU-Block, in: Der Standard, 02.11.2007, available at: [http://derstandard.at/?url=?id=3089529%26\\_range=3](http://derstandard.at/?url=?id=3089529%26_range=3) (last access: 05.03.2008).

\* Austrian Institute of International Affairs.



Immigration, security and energy have been salient and debated issues in the Austrian public. Recently, these questions have been mainly discussed in the context of the lack of integration of immigrants who are already in the country and the challenges for security connected with the enlargement of the Schengen area.

With regard to energy, Austria has been highly involved in the Nabucco project which aims to establish a new energy corridor between Central Europe and the Caspian regions but also Iran and Egypt. One of the major aims behind the project is to diversify energy supplies in order to provide alternatives to Russian energy supplies.

The Lisbon Treaty might effect external relations and ENP, as the treaty aims to guarantee a coordinated and attuned common foreign policy. The treaty also facilitates military action of a joint EU force. In this regard, the EU military mission to Chad has been a highly discussed controversial issue in Austria.

No traces of records concerning the Nordic dimension and the Baltic cooperation could be found in the public discussions.

## European Neighbourhood Policy and Russia Bulgaria\*

### New challenges being an EU member state

Bulgaria made its debut as a new member of the EU facing certain new challenges. In the field of the European Neighbourhood Policy (ENP), further serious efforts have to be developed. There is still a lack of media analysis on these important topics. Bulgarian journalists focus their attention predominantly on bilateral foreign issues.

According to the official Bulgarian position, the Black Sea dimension of the ENP is one of the focuses of the contribution of the country's foreign policy under the CFSP. Bulgaria played an active role in the Black Sea Synergy discussions.<sup>556</sup> The accession of Bulgaria and Romania to the EU has marked a new phase

#### \* Bulgarian European Community Studies Association.

<sup>556</sup> Nikolov, Krassimir Y. (2007): Black Sea Regional Cooperation and Bulgaria: Context, Concepts, Actors, in: Nikolov, Krassimir Y. (ed.): Europe on the Black Sea Shore: Opportunities and Challenges for Bulgaria, Sofia, BECSA, November 2007, available at: <http://www.becsa.org>, accessed on: 5.01.2008.

in the relationships within the Black Sea Region, which implies a stronger need for expanded cooperation of the EU with that region, and its ties to Central Asia. The connection with the Danube Region is also a priority because in the view of Bulgaria, the River Danube should be a main European vector and a vehicle for deepening such interaction.<sup>557</sup>

Bulgaria has already signed intergovernmental Memorandums of Cooperation in European and Euro-Atlantic Integration with Ukraine, Georgia, Armenia, Azerbaijan and Moldova. Among the countries which take part in the ENP, special importance is attached to Moldova. The media drew attention to the results of opinion polls, according to which 70% of Moldavian population hold that the country's only future is the EU membership. Therefore, Bulgaria's experience in European integration and its support for the state's European future is of great importance. Bulgaria is also interested in lending its support in Moldova's European development because there are 90 000 ethnic Bulgarians living in Moldova, about 5000 of them holding Bulgarian passports. Moreover, Bulgarian is taught in 35 schools in the country.

A widely covered topic in Bulgarian media was the official visit of a Bulgarian delegation in Georgia, Armenia and Azerbaijan in November 2007. After sorting out the positions and the common messages with the European Commission President Jose Manuel Barroso, the Prime Minister Sergei Stanishev asked for the conduct of normal and democratic elections in Georgia on behalf of the EU. The elections in January 2008 were described as "an important step" and the Bulgarian government leader stressed that the way in which they will be organized is important. In his words, optimal conditions can take place if the state of emergency is lifted and the media, including the opposition ones, are free.<sup>558</sup> The

<sup>557</sup> Nikolov, Krassimir Y. & Elisabeth Yoneva (2007): Regional Cooperation in the Black Sea and Danube Regions: Addressing Challenges and Providing Perspectives. Conference Report, International Conference organized by the Bulgarian National Assembly, the Bulgarian Ministry of Foreign Affairs and the South Eastern Europe Association – Munich, Germany, in Sofia on 16-17 November 2007, available at: <http://www.becsa.org>, accessed on: 5.01.2008.

<sup>558</sup> "On behalf of the EU, Bulgarian Prime Minister Sergei Stanishev will ask for the conduct of normal and democratic elections in Georgia", 14 November 2007, available at: <http://www.government.bg>, accessed on: 5.01.2008.

Prime Minister, who was the first leader of an EU member state to visit Georgia after the events there, also noted that the Bulgarian embassy in Tbilisi has been designated a NATO contact point for that country.

Bulgaria's entry in the EU has put on a new plain also its relations with Armenia. The two states have traditionally fruitful relations due to historical closeness. The Bulgarian media described in detail the enhanced political dialogue between Bulgaria and Armenia. Within this context, the visit of the Armenian foreign minister Vartan Oskanian in Sofia<sup>559</sup> and the subsequent visit of the Bulgarian government leader in Yerevan (the first of its kind following the establishment of diplomatic relations between Bulgaria and Armenia in 1992)<sup>560</sup> were reflected under the slogan of the formation of a basis for expanding cooperation both on bilateral level and within the framework of regional and international organizations, including in the implementation of the ENP and cooperation in the Black Sea Region based on the EU synergy initiative.

The journalists stressed that the long-standing presence of an Armenian community in Bulgaria is a bridge for strengthening the relations between the two peoples. They emphasized the Bulgarian support for Armenia's determination to invigorate the processes of furthering its closeness with the EU, following that country's inclusion into the ENP and its partnership with NATO. In 2007, Armenia was placed on the priority list of nations to which Bulgaria channels resources within the framework of official development aid. Bulgaria is ready to help that country through joint projects – such were signed in November in the area of readmission, physical culture and sport, establishment of an intergovernmental commission on economic, scientific and technical cooperation, cooperation in youth affairs and in agriculture. The bilateral business forum in the spring of 2008 will offer further opportunities for business contacts. Definitely, they could be accelerated by the easing of the visa regime between Armenia and the EU. 2008 will be year of Bulgarian culture in Armenia – another chance to stimulate the exchange between the

<sup>559</sup> "Bulgaria's EU membership will invigorate bilateral Bulgarian-Armenian Relations", 29 October 2007, available at: <http://eu.actualno.com>, accessed on: 5.01.2008.

<sup>560</sup> "Stanishev: We will support Armenia in the processes of furthering its closeness with the EU", 13 November 2007, available at: <http://www.dnesplus.bg>, accessed on: 5.01.2008.

countries.<sup>561</sup> The conclusion, drawn in the political analysis on this theme, is that cooperation within the Black Sea Economic Cooperation (BSEC) and Bulgaria's balanced approach towards the conflict in Nagorny Karabakh indicate that the country could be in the vanguard of the ENP.

The importance of the countries of Central Asia also increases for Bulgaria as a member state of the EU. That showed the tour of the Bulgarian Minister of Foreign Affairs in Kazakhstan, Tajikistan and Turkmenistan. In his words, Bulgaria has a well-grounded interest to participate in the implementation of the EU Strategy on Central Asia. He cited as a prerequisite for this the country's geographic proximity to the region, the traditionally good friendly relations and the experience accumulated in the implementation of the ENP.<sup>562</sup>

With regard to relations with one of the most important Bulgarian partners – Ukraine, special attention was paid to the visa regime between the two countries. The visit of the Minister of Foreign Affairs of Ukraine Arseniy Yatsenyuk in November received widest coverage in the media because of the announcement that the Ukrainian Cabinet had approved a decree abolishing the visa regime for citizens of Bulgaria, which is to enter into force simultaneously with the Simplified Visa Regime Agreement between the EU and Ukraine.

The theme about negotiations on a new partnership agreement with Russia was barely articulated in the Bulgarian media. They were much more interested in the decree, signed by the Russian President, suspending the Treaty on conventional armed forces in Europe. Because of the deployment of US military facilities in Bulgaria and Romania, listed in the decree as one of the reasons for Putin's decision, the headlines were in the style of "Russia Resumes Cold War because of Bulgaria".<sup>563</sup> At the end of the year the topical issue was the forthcoming official visit of the

<sup>561</sup> "Bulgaria will support Armenia's efforts to draw closer to the EU", 13 November 2007, available at: <http://politics.actualno.com>, accessed on: 5.01.2008.

<sup>562</sup> "Bulgaria has a keen interest in the implementation of the EU Strategy on Central Asia", 04 September 2007, available at: <http://www.mfa.bg>, accessed on: 5.01.2008.

<sup>563</sup> "Russia Resumes Cold War because of Bulgaria" in the Bulgarian Daily Newspaper "Standart", 15 July 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008; "Lavrov: US military bases in Bulgaria, what for?", 08 December 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008.

Russian President in January.<sup>564</sup> It attracts the public attention because during his visit, the heads of state are expected to sign an agreement on the establishment of the international company that will manage the construction of Bourgas-Alexandroupolis oil pipeline, and also an agreement concerning the launching of a direct ferryboat line between Bulgaria and Russia (Varna- Novorossiysk).<sup>565</sup> The major energy projects are the most widely covered topic in the media in connection with relations with Russia.<sup>566</sup> The articles highlighted the combination of distress signals that Bulgaria is increasing its energy dependence on Russia as only supplier of gas, oil and nuclear fuel. The evaluation of the contract about the construction of Belene Nuclear Power Plant is in the same light: via this document Bulgaria will bring Russia on the European market “through the back door”.

Diversifying producers is a priority for the EU, and Bulgaria is strategically positioned in this respect. Many experts stake on that sort of solution of the problems: “the Southern Caucasus area needs be kept stable, through measures such as the NATO integration of Georgia and the ENP for Georgia, Armenia and Azerbaijan. Russia, however, appears to be bent on spoiling these efforts by fuelling the South Ossetia, Karabakh and Abkhazia conflicts”.<sup>567</sup>

According to the official Bulgarian position, the presence of the EU in the Black Sea region would guarantee the strategic goals of the country to the highest extent. In this sense, Bulgaria has a keen interest in the EU initiative on Black Sea Synergy. The state was among the principal driving forces for the development of this policy in the first half of 2007. The Ministry of Foreign Affairs drafted a “Concept

on the Policy of Bulgaria in the Black Sea Region” and a “Concept on Black Sea Security”, thus contributing substantially to the Black Sea Synergy.<sup>568</sup>

Bulgaria declares that it is interested in developing cooperation on an equitable basis, open to and based on the principles, values and norms of the European integration processes, and not in a regional cooperation dominated by individual forces in the region. In view of the above, the country supports the opening of the regional cooperation in its earlier forms (basically the Black Sea Economic Cooperation – BSEC) for a dialogue with the European Union. At this stage, Bulgaria does not see the need of new institutions and structures to be established. The development of the European Neighbourhood Policy and the EU-BSEC dialogue will show whether such a need would emerge in the future.

After Bulgaria’s accession to the EU, the country has become the outer border of the bloc on the south-western side. Bulgarian journalists focused their attention on the much greater responsibility that Bulgaria is shouldering now and the higher standards for border protection which the country has to apply. They noted that views about a decrease of problems along the border after joining the EU are proven totally incorrect. On the contrary – things are now a lot more serious and the challenges, the servicemen are facing, are quite different. Among them are the constant attempts at entering the country from outside the EU, the use of fake documents or stolen vehicles. During the active tourist season this summer Bulgaria was attacked by many people from Moldova who came in mainly from the Romanian border. There were numerous attempts at crossing the border on the part of people from Iraq, Palestinians and Kurds. From Bulgaria they go to Greece and then – to various destinations in Western Europe.<sup>569</sup>

All potential problems relating to the security of the EU should be intercepted and dealt with while still on Bulgarian border and territory. The biggest challenges, coming from ENP

<sup>564</sup> “Putin Visits Bulgaria in January”, 17 December 20, available at: <http://www.standartnews.com>, accessed on: 5.01.2008.

<sup>565</sup> “Bulgaria-Russia Ferryboat Line launched soon”, 17 December 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008.

<sup>566</sup> “Bulgaria: A Difficult Tango with Gazprom”, 09 November 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008; “Russia Twists Arms in Burgas-Alexandroupolis Project”, 29 August 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008; “Bulgaria, Greece and Russia signed the agreement for the pipeline company” in the Bulgarian Daily Newspaper “Dnevnik”, 18 December 2007, available at: <http://www.dnevnik.bg>, accessed on: 5.01.2008.

<sup>567</sup> “Master and slave” in the Bulgaria’s English Monthly “Vagabond”, issue No 15-16, December 2007-January 2008, available at: <http://vagabond-bg.com>, accessed on: 5.01.2008.

<sup>568</sup> Nikolov, Krassimir Y. (2007): Black Sea Regional Cooperation and Bulgaria: Context, Concepts, Actors, in: Nikolov, Krassimir Y. (ed.): Europe on the Black Sea Shore: Opportunities and Challenges for Bulgaria, Sofia, BECSA, November 2007, available at: <http://www.becsa.org>, accessed on: 5.01.2008.

<sup>569</sup> “The Bulgarian border as part of the European space”, Radio Bulgaria, 08 November 2007, available at: <http://www.bnr.bg>, accessed on: 5.01.2008.

regions, are closely connected with immigration and organized crime, in particular illegal trafficking in humans, weapons, drugs, contraband trade and terrorist acts. There is also a need to expand ties between the border and coast authorities with the neighbours which stems from both the global political and economic problems.

In this connection, special attention was paid to the border cooperation agreement,<sup>570</sup> signed between the six countries of the Black Sea region. Its goals are to strengthen ties among the border services for the prevention of drugs trafficking, illegal trade in weapons, illegal migration, in counteracting terrorism, against the proliferation of weapons for mass destruction, cooperation in search and rescue operations and for protection of the natural resources of the Black Sea and prevention against fishing violations.<sup>571</sup>

In this field Bulgaria has relevant engagements because the international coordination border centre is located in Bourgas. The officers of the centre now can monitor traffic in the Black Sea in real time. The media informed that last year the centre reported more than 300 violations of vessels sailing in the Black Sea. Until 2009, 124 million € will be absorbed in order for the border checkpoints to be modernized with new equipment for checking humans and vehicles, devices for spotting forged documents, weapons, explosives, radioactive substances and hidden people.

Several forums in Bulgaria tackled the theme about the future of the ENP in the light of the new provisions of the Lisbon Treaty.<sup>572</sup> Bulgaria's vision was elucidated by the comments of the Prime Minister Stanishev. In his words, the EU should have a more consistent neighbourhood policy. "We should be supportive of Ukraine and Georgia, the countries in the Caucasus, to ensure peace and stability there," he said adding that he does not think the EU would become a global power like the United States (that opinion is in

<sup>570</sup> "Bulgaria's Border Police Get New Helicopters", 24 October 2007, available at: <http://www.standartnews.com>, accessed on: 5.01.2008.

<sup>571</sup> "The countries of the Black Sea region signed a border cooperation agreement", 23 October 2007, available at: <http://www.government.bg>, accessed on: 5.01.2008.

<sup>572</sup> The conference "The European Neighbourhood Policy: The Time to Deliver" (information available at: <http://becsa.org>, accessed on: 5.01.2008), the Session of the Council of the Party of European Socialists in Sofia ("Party of European Socialists Council sits in Sofia", Radio Bulgaria, 23 November 2007, available at: <http://www.bnr.bg>, accessed on: 5.01.2008) etc.

dissonance with the position of the most Bulgarians who believe that in 50 years' time the EU would become the world's diplomatic leader according to Eurobarometer survey). "The Community is a power which should create stability in the neighbouring regions – by enlargement, for example, because this task is not over yet," he added. He believes that the Lisbon Treaty would give visibility to the foreign policy of the Community. The EU needs to strengthen its forces for response to conflicts outside its territory. Also, the member states need better coordination on a number of issues including its relations with Third World countries.

As a member of the EU Bulgaria is now bound to formulate and uphold its stands in the European institutions and on the global scene on issues such as the ENP and the key question "Does Europe without borders, have boundaries?". The country has to mobilize further considerable public resource in the development of its positions and visions on these topics in order to adapt itself to the immediate transformations and the new challenges.

#### European Neighbourhood Policy and Russia

##### Croatia\*

##### Russia's growing role – potential consequences of a 'Mediterranean Union'?

##### *Key regions and countries for the ENP*

Croatian general public seems to have little interest in the ENP and in the EU policy vis a vis Russia or better to say in the Russian reactions to the ENP. This assessment also refers to the Croatian political leadership. There are sporadic comments in the media on that issue, mainly in the context of discussions on the possible determinants of final boundaries of the EU. The discussions are centred on the question whether it is at all possible to set these boundaries, and if yes, whether they reach the eastern borders of ENP members or spread further on? These observations are mentioned in some articles in daily papers which are predominantly dealing with the implications of the signing of the "Lisbon Treaty" from October 2007.<sup>573</sup> Also the search for European identity has been

\* **Institute for International Relations.**

<sup>573</sup> Alen Legovic: „Reform Treaty and the Future of EU: European house needs citizens' support“, in: Novi list, supplement EUROPA: 1 January 2008. p. 3.

questioned, especially in the context of ENP. "EU must understand that enlargement is not always regarded as the export of democracy, welfare and stability to the neighbouring countries. It is required to give more encouraging arguments to the neighbouring Mediterranean countries and the countries in the area of the territory of the former Soviet Union. For example, this might be done through the softening procedure of obtaining visas, or through the gradual integration in the inner market of EU, more intensive cooperation in the foreign policy as well as more intensive participation of the third countries politicians in the opinion making process of the EU on the broader scale".<sup>574</sup>

#### *Enhanced Agreement with Ukraine*

This issue has hardly been discussed in Croatia in the examined period. Previous reports however show positive attitudes of political elites towards the enhanced agreement of the EU with Ukraine. The Croatian media followed the December 2007 election of new Prime Minister Julia Timosenko with interest and brought mostly positive reactions to the news. The commentators assessed that this will have positive effects on enhancing relations of Ukraine with EU and NATO.<sup>575</sup>

#### *New partnership agreement with Russia viewed mainly through energy supply issue*

Concerning the future EU-Russia relations, Croatian comments are rather cautious and neutral and have mainly been reduced to the growing role of this country in the energy supply and security of the EU. Daily Novi list referred in its analyses to results of a research study of the German Institute of Economic Research which shows that Russia will not be able to guarantee the energy supply for the EU on a long-term basis. "Russian reserves of oil and gas will be exhausted in the next 22 years, providing the country will not invest more in the research of the new energy sources."<sup>576</sup>

Most recently, Croatian media are following with increased interest and concern an acquisition of 51% of Serbian Oil Industry (NIS) by Russian Gazprom. The commentators are considering this move as crucial for securing long-terms interests of Russia in the Balkans

and positioning towards the EU market.<sup>577</sup> It is for certain that it would also have an important impact on the competitiveness of the Croatian oil industry (INA) in the region. In terms of security of energy supply for the EU, the commentators are especially singling out the Russian agreement with the Serbian government to build a gas pipeline on Serbian territory until 2012 which will secure easier export of Russian gas to the EU and a long-term export competitiveness on the market.

On the implications of the growing Russian role in international relations, there is an interesting comment in the media on the raise of the Russian nationalism and the tolerance to it by her political leadership.<sup>578</sup> In some intellectual leftist circles the idea of creating an „Eurasian“ political area or community seems appealing, which will politically oppose the USA and western community as a whole, and on the political system level the current model of liberal democracy. Such an alternative political community would naturally be led by Russia, which will be the main warranty for preserving and keeping traditional "eastern" values, while the principal enemy is naturally the USA, and the EU is marginalised. According to the article, a certain level of nostalgia for some sort of controlled or softened cold war could also be detected.

#### *Potential impact of Sarkozy's project "Mediterranean Union" on ENP*

The project of "Mediterranean Union" has only been publicly mentioned in the context of an official visit which has been paid by Croatian president Stjepan Mesic to the French president Nicolas Sarkozy in December 2007. Most of the media briefly informed about this initiative but were hesitant to comment or analyse its possible political implications, both within and outside the EU in more details. However, some of the comments mentioned the initial reluctance from some European politicians, especially German chancellor Angela Merkel, towards this idea.<sup>579</sup> The Croatian politicians have not commented or taken clear stand on the idea yet, but have mentioned, however, that in the case of turning the initiative into reality, Croatia, due to its geographical position, would be a natural

<sup>574</sup> Ibid.

<sup>575</sup> Vjesnik, 19 December 2007, p. 9.

<sup>576</sup> Poslovni dnevnik, 6 December 2007.

<sup>577</sup> „Serbia in a new Russian block“, in: Nacional (political weekly), no. 637, 29 January 2008, p. 18-20.

<sup>578</sup> Novi list, 29 December 2007.

<sup>579</sup> Journalist Tina Lakič, in: Jutarnji list, 19 December, p. 4. See also Bruno Lopandic: "New Union or just a Sarkozy Forum?", in: Vjesnik, 22/23 December 2007.



member of this new “club” which will support building the bridge between Europe and Africa.<sup>580</sup> While talking to Croatian press after the meeting with President Mesic on 18 December 2007, Mr. Kouchner, French Minister of Foreign Affairs, invited Croatian politicians to support this initiative without hesitation, like many Mediterranean countries.<sup>581</sup>

The question of how this initiative will affect the present negotiation process of Croatia would be an important one for the Croatian public. Some of the media analyses pointed out that Sarkozy’s initiative has no intention to affect the negotiation processes that are already in progress with candidate countries such as Croatia and Turkey.<sup>582</sup>

### European Neighbourhood Policy and Russia

#### Cyprus\*

#### Strong links with Southern and Eastern regions – Russia of special importance

##### *Key regions/countries for ENP*

For the Republic of Cyprus, its relationship with Russia holds special importance due to its status as a permanent member of the United Nations Security Council and its impact vis-à-vis the Cyprus question. Therefore, Cyprus does not want to see the eastern flank of ENP (Ukraine, Moldova, Georgia) develop as a EU foreign policy instrument with antagonistic tendencies towards Russia.

The Republic of Cyprus has strong links with almost all of the countries that belong to the ENP. Since the collapse of the Soviet Union, Cyprus accepted a significant number of immigrants from Ukraine, Moldova, Georgia (thousands of ethnic-Greek Georgians), and has a significant indigenous Armenian minority that has lived on the island for centuries. Its relations with Azerbaijan are the least

<sup>580</sup> According to Jutarnji list, 19 December 2007, p. 4. Croatian President Mesic has already accepted Sarkozy’s invitation to participate at the first summit of the Mediterranean Union in June 2008.

<sup>581</sup> The statements of French foreign minister Kouchner after the meeting with President Mesic on 18 December 2007, available at: [www.predsjednik.hr](http://www.predsjednik.hr) last accessed on 15 January 2008. See also his statements quoted in Slobodna Dalmacija (daily), 19 December 2007.

<sup>582</sup> Bruno Lopandic: “New Union or just a Sarkozy Forum?”, in: Vjesnik, 22/23 December 2007.

\* Cyprus Institute for Mediterranean, European and International Studies.

developed and have been, at times, tense due to some commercial activity between this country and the illegal authorities in the Turkish-occupied north of Cyprus.

In North Africa and Middle East, the Republic of Cyprus has historically good ties with the countries of these regions, not only because of close geographic proximity, but also because of a common history of de-colonialisation and subsequent cooperation in the framework of the Non-Aligned Movement (until 2004, when Cyprus withdrew and joined the EU). Cyprus has good relations with all Arab nations that are included in the ENP – Morocco, Algeria, Tunisia, Libya, Egypt, Syria, Jordan, Lebanon and the Palestinian Authority – as well as Israel. In particular, the Republic of Cyprus considers itself to be the EU’s political and economic ‘hub’ in the Middle East.

##### *New “enhanced agreement” with Ukraine*

Cyprus is in favour of this new agreement since it shares the European aim of drawing Ukraine closer to the EU, enhance political co-operation, increase trade and investment and thus contribute to economic development and prosperity of this country. The prospect of developing with Ukraine a Free Trade Area is very positive for Cyprus since there is growing commercial activity between the two countries.

##### *Start of negotiations on new partnership agreement with Russia*

In the opinion of the staff of the Cyprus Institute of Mediterranean, European and International Studies (KIMEDE),<sup>583</sup> the new Partnership and Cooperation Agreement (PCA) for the post-2007 period of relations must reflect the changes both the EU and Russia have experienced since the creation of the original PCA agreement in 1997. In the framework of the new PCA, Cyprus would like to see EU-Russia relations move forward, in a complementary and mutually beneficial fashion. The relationship should be balanced and sincere, without hidden agendas on either side.

As officials in the Cypriot Ministry of Foreign Affairs put it,<sup>584</sup> “Cyprus strongly supports the strengthening of relations and dialogue

<sup>583</sup> Unless otherwise indicated, most of the material in this Section has been provided by KIMEDE’s expert on ENP, Mr. Kostas Sasmatzoglou.

<sup>584</sup> Written communication and telephone interviews with Costas Melakopides, 4 February 2008.

between the EU and Russia. A balanced partnership with Russia seems to be the only way forward towards the consolidation of peace, stability, democracy and prosperity in the Euro-Asian area and beyond. The climate in relations between EU and Russia clearly needs to be improved. Relationship between us should be based on common principles and be developed in the spirit of transparency, openness, trust and mutual respect”.

Reflecting the widely-held view among Cypriot political elites, academics, and public opinion at large, the MFA officials added on this point: “We have a vested interest in Russia’s contribution for the resolution of many frozen conflicts both in Europe and South Caucasus. A confrontational approach alienating Russia from Europe not only will not lead us anywhere but it will be, assuredly, counterproductive”.<sup>585</sup>

*Nordic dimension of ENP and Baltic cooperation*

Cyprus has rather limited interest in the Nordic dimension and Baltic cooperation, being engaged in the EU schemes of Mediterranean cooperation.

*Black Sea Synergy*

Cyprus has welcomed the endorsement by the Council of the Presidency’s Progress Report on the Strengthening of the European Neighbourhood Policy, being a very important instrument of the Union’s Foreign and Security Policy. As Cypriot MFA officials observe, “Our primary goals are security, peace, stability, human rights, rule of law, good governance and economic prosperity. Our approach towards these goals should always be balanced, coherent and consistent with the principles on which the ENP is founded”.<sup>586</sup>

Cypriot MFA personnel attach particular importance to the full adherence by Cyprus’s Partners to the norms of international law in their conduct within their region, as well as towards the member states of the Union. They emphasized to us that this should be a cardinal criterion for the allocation of financial assistance to Partners through the Governance Facility. In this framework, they strongly favour the possibility that the member states of the Union will exercise an important role in the way financial assistance is allocated through the Governance Facility.

<sup>585</sup> Ibid.  
<sup>586</sup> Ibid.

The aforementioned written communication received by KIMEDE from the Cypriot Ministry of Foreign Affairs continued as follows: “We must ensure that our approach towards the various regions remains balanced. Any expansion towards the East should not be at the expense of the Mediterranean dimension of the ENP. Commitments concerning financial resources already undertaken within the Barcelona Process should be honoured”.

Although Cyprus is not directly involved in the Black Sea Synergy initiative, it should not be surprising that the Cyprus Government strongly supports one of the initiative’s main objectives: “Democracy, respect for human rights and good governance”. Thus, considering that Turkey is part of this initiative, Nicosia supports all processes that will help this country’s democratization and its respect towards human rights, which it keeps violating in Cyprus through its post-1974 military occupation.

To be sure, we have not detected any direct discussion in the country concerning this initiative. We can attest, however, that the perceptions and sentiments of Cypriot political and academic elites correspond closely to the spirit of the following points by the MFA officials: “The Republic of Cyprus supports the Commission’s “Black Sea Synergy” initiative as a means to enhance the cooperation between the EU and the countries of the Black Sea area. In this context, Cyprus reiterates its request and belief that the EU M-S will continue to support our efforts to join the Organization of BSEC as observers. Previous efforts [by Cyprus] to join the BSEC have been frustrated by the unfounded objections of Turkey. These objections do not align with Turkey’s obligations emanating from the Negotiating Framework between EU and Turkey”.<sup>587</sup>

*Biggest challenges from ENP regions – East and South (immigration, security, energy, etc)*

For the Republic of Cyprus, immigration, security and energy are all important challenges in the ENP regions. For the South, where Cyprus is directly affected, immigration is an almost daily problem with the arrival of dozens of illegal immigrants – particularly those arriving in the Turkish-occupied territory, who try to enter the government-controlled territory of the Republic. Also, there is an

<sup>587</sup> Ibid.

abundance of local and international intelligence that has identified a number of dangerous individuals linked with radical Islamic fundamentalist circles, which visit regularly the Turkish-occupied north of Cyprus.

Nicosia is particularly keen to cooperate with the ENP countries in the South on energy. Cyprus is currently working with Egypt towards the extraction of significant volumes of natural gas, which are reportedly located in the island's southern territorial waters, in a mutually beneficial bilateral arrangement. Such agreements should be supported and enhanced by the ENP.

*Probable impact of new provisions of Lisbon Treaty on external relations and ENP*

Cyprus expects the new provisions of the Lisbon Treaty to have a very positive impact on external relations and ENP, since the EU will have in 2009 a concise and comprehensive foreign policy-making structure with upgraded and enhanced instruments and resources. ENP-related matters will be central in this new state of affairs.

European Neighbourhood Policy and Russia

**Czech Republic\***

**The persisting gap between rhetoric and practice in Czech Eastern Policy**

Rhetorically, Czech diplomacy has long declared EU's neighbourhood one of its main priorities, and the European Neighbourhood Policy its main instrument.<sup>588</sup> Practically, though, the results are still not entirely satisfying. Although the Czech Foreign Ministry tries hard to gain a role for the country which would be comparable with those of other Visegrad Countries, notably Poland and Slovakia, it remains alone in its efforts. As a result, it remains doubtful whether there is a fully developed Czech Eastern Policy.

What is clear, however, is the general orientation of Czech diplomacy. Outside the EU, the Czech Republic's main partners are countries in Eastern Europe, particularly Ukraine, but also Moldova and Georgia. Interestingly, the country has found its "market

niche" in its relations with Belarus, in which Prague plays a substantial role in attempts to transform the Belarusian regime into a democratic one. The underlying belief in the highest echelons of Czech diplomacy is that the EU does not pay appropriate attention to Eastern Europe. As Foreign Minister Schwarzenberg put it, "money is not equally distributed, and the instruments are not the same either".<sup>589</sup> Although both parts of the utterance are contentious, they show the perceived imbalance between the East and the South, which will certainly find its way into the Czech priorities for the EU presidency in 2009.

Being geographically located an almost equal distance from both the Baltic and the Black Seas, the country does not have a preference for either of these two multilateral arrangements. As the Czech Republic does not share a common border with any of the neighbouring countries, it obviously cannot focus on cross-border cooperation and rather aims at different goals: For instance, it supports Ukraine through regular consultations between the Foreign Ministries of the two countries or through concrete projects that should assist in the approximation of Ukraine's legislation to that of the EU. Among other things, the Czech Republic cooperates with Ukraine in the areas of nuclear safety and phytosanitary standards.

The activities of Czech diplomacy are, with a few exceptions like the abovementioned bilateral ties with Ukraine, confined to multilateral frameworks, most markedly to the Visegrad Four. The typical Czech strategy is to test new initiatives within the other three Visegrad Countries, and only if they are accepted there, it elevates them to the EU level. Starting from this strategy, one can extrapolate future Czech aims from the priorities of the Czech presidency in the Visegrad Group (mid 2007 to mid 2008): special programmes for Ukraine, intensification of relations with Moldova, democratisation of Belarus and stronger ties to Southern Caucasus.<sup>590</sup>

A key element of the ENP-related political developments in the Czech Republic which is

\* **Institute of International Relations.**

<sup>588</sup> See, for instance, A. Vondra, *Česká zahraniční politika: tři pilíře, tři principy, trojí směřování* (Czech Foreign Policy: Three pillars, three principles, three directions), *Mezinárodní politika* no. 11/2006, pp. 17-19.

<sup>589</sup> ČR a Slovensko chtějí, aby se EU více věnovala východní Evropě (The Czech Republic and Slovakia want the EU to pay more attention to Eastern Europe), Czech Press Agency, 3 September 2007.

<sup>590</sup> Czech Presidency of the Visegrad Group (June 2007 – June 2008), Visegrad Group, available at: <http://www.visegradgroup.eu/main.php?folderID=1&articleID=9497&ctag=articlist&iid=1> (last access: 04.03.2008).

unfortunately sometimes omitted from scholarly analyses is the general ignorance of the policy in the public and in the media. Examples of references to the ENP are so rare that one can hardly find a single citation in the major media in a month. The public does not know anything about the policy, and, in addition, it is not really interested in the East since unfortunately, Eastern Europe is generally (although mistakenly) typically seen as unattractive and undeveloped.

Similarly, concrete EU measures vis-à-vis Russia are not widely discussed. Ninety percent of all media attention in regard to Russia was consumed by the discussions about the US military base in the Czech Republic and the corresponding Russian reactions (see chapter 5).

## European Neighbourhood Policy and Russia

### Denmark\*

#### Different challenges from Southern and Eastern ENP regions

##### *Key regions/countries for ENP*

The Danish Parliament supports the European Commission's proposal for an enhancement of ENP. In line with ENP, Denmark also regards EU's new neighbour countries in Eastern Europe (Ukraine, Moldova and Belarus) following the 2004 and 2007-EU enlargements as key countries for ENP. This is to be seen in the light of the already well-developed cooperation with the Southern ENP-region, notably through the Barcelona process. Therefore, the Danish Parliament emphasises the need to focus on building a similar well-developed cooperation with Ukraine, Moldova and Belarus. These countries are also included in the Danish government's own neighbourhood programme. The purpose of these programs is to strengthen democracy and rule of law through stable political and economic development<sup>591</sup>.

Denmark is also positive towards the new 'enhanced agreement' between EU and Ukraine regarding provisions on the establishment of a free trade area and enhanced cooperation on energy, transportation and environment. Ukraine is

\* Danish Institute for International Studies.

<sup>591</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/da/menu/Udviklingspolitik/LandeOgRegioner/Naboskabsprogrammet/> (last access: 25.01.08).

regarded as a crucial player for the stability in Eastern Europe as well as for an enlarged EU. Since the 2004-2005 'orange revolution', Denmark has increased its attention towards the economic and democratic development in Ukraine, especially in terms of the development of a judicial state, an effective public sector and the fight against corruption.

##### *Engagement with Russia and the Black sea*

In 2007, Denmark continued to recognise the importance of a developed relationship with Russia<sup>592</sup>. The government has supported the development of a new partnership agreement between EU and Russia. It is stressed that a prosperous co-operation must be based on economic and democratic reforms that can help engage Russia further with Europe. The understanding and respect of common values such as human rights, rule of law and freedom of speech are seen as key factors if a successful partnership with Russia is to develop. However, 2007 also saw obvious tensions in the EU-Russia relationship. At the Council meeting of the Foreign Ministers in Viano de Castello in September 2007, the Danish Foreign Minister, Per Stig Møller, expressed criticism of the Russian tendency to confront and pressurize its neighbours unilaterally<sup>593</sup>.

Regarding the development of the Black Sea Cooperation, the Danish government supports the Commission's proposals focusing on energy, environmental issues, transportation, maritime security, economic cooperation, tourism and cultural exchange<sup>594</sup>. Many of the Commission's initiatives are also reflected in Denmark's bilateral neighbourhood program. For example, the Danish programs also stress the importance of a broad approach in securing a long-term commitment to the challenges of the EU neighbour states.

##### *Challenges for the future*

The Danish government sees different challenges for the Southern ENP regions compared to those in the East. The challenges

<sup>592</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/da/menu/Udenrigspolitik/LandeOgRegioner/Europa/Rusland/EUsForholdTilRusland/EUsForholdTilRusland.htm> (last access: 24.01.08).

<sup>593</sup> Berlingske Tidende, 9 September 2007, available at: <http://www.berlingske.dk/article/20070909/verden/109091150/> (last access: 24.01.08).

<sup>594</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/da/menu/EU/EUsNaboer/> (last access 24.01.08).

in the Southern ENP regions centre on counteracting radicalisation, terrorism and political instability. The challenges for the ENP in the East are related to securing human rights, freedom of the media and combating trafficking of humans. Denmark's own 2007 neighbourhood program emphasises the same challenges, indicating that Denmark's views are in accordance with the ENP.

Also, the Lisbon Treaty's new provisions on external relations and the ENP are welcomed<sup>595</sup>. However, the Danish defence opt-out puts some restrictions on Denmark's participation, for example Moldova. Due to the opt-out, Denmark cannot participate in the preparation and implementation of actions with defence implications because of the Danish public's rejection of the Maastricht Treaty in 1992.

## European Neighbourhood Policy and Russia

### Estonia\*

#### Stronger and more flexible ENP

The ENP and specifically its Eastern dimension has been a major priority of Estonia's foreign policy since the country's accession to the EU. According to Foreign Minister Urmas Paet, the EU should regard the ENP as the „most powerful external instrument at its disposal.”<sup>596</sup> Although the ENP has produced good results, „the EU must contribute even more.”<sup>597</sup> The government argues that the ENP should be „flexible to the highest possible extent,” allowing for an „individual approach” and „differentiation.”<sup>598</sup> The more advanced ENP countries should be offered opportunities for closer cooperation, including „the possibility of expanding the four freedoms, deeper economic integration, and

visa facilitation.”<sup>599</sup> At the same time, the EU should take a tougher stance towards those countries that are lagging behind in the implementation of the Action Plans. According to Foreign Minister Paet, the Action Plans should not be endlessly delayed, as this would send the wrong message to those partners that try hard to meet their obligations.<sup>600</sup>

In addition, Estonia regards the following points to be of key importance:

- increased EU engagement in the resolution of the so-called frozen conflicts in the neighbourhood (on the territory of Georgia, Moldova, and Azerbaijan). Although solving these conflicts depends on the efforts of a range of actors, the Estonian government is convinced that the ENP is “capable of significantly reshaping the social and political landscape” of the regions in question.<sup>601</sup>
- developing regional cooperation within the ENP framework. The government approves of the Black Sea synergy initiative, and supports the idea of developing the Eastern dimension, as “there are several topics and questions, which could be discussed most effectively in the format involving the Union and the Eastern partners.”<sup>602</sup> There is, naturally, strong interest in developing the Nordic dimension as well as Baltic cooperation with in the framework of the ENP.
- increasing cooperation in the sphere of energy and exploring possibilities for concluding a regional EU-ENP energy agreement. Through an intensified energy dialogue, “the EU and ENP countries can mutually contribute to increased security of supply.”<sup>603</sup>

<sup>595</sup> The Danish Foreign Ministry, available at: <http://www.um.dk/da/menu/Udviklingspolitik/LandeOgRegioner/Naboskabsprogrammet/> (last access: 24.01.08).  
\* University of Tartu.

<sup>596</sup> Address by Minister of Foreign Affairs of Estonia Urmas Paet, „ Strengthening the European Neighbourhood Policy, at ENP conference “Working together – strengthening the European Neighbourhood Policy”, 03.09. 2007, Brussels, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>597</sup> Ministry of Foreign Affairs, Press Release, “Paet: EU must continue to support Georgia”, 20.11.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>598</sup> Address by Minister of Foreign Affairs of Estonia Urmas Paet, “Strengthening the European Neighbourhood Policy” at ENP conference “Working together – strengthening the European Neighbourhood Policy”, 03.09.2007, Brussels, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>599</sup> Remarks by Minister of Foreign Affairs Urmas Paet, “European Neighbourhood Policy – towards a Europe of Common Values” at the conference “The Baltic States and the European Neighbourhood Policy”, Riga, 23.11.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>600</sup> Ministry of Foreign Affairs, Press Release, “Paet: EU enlargement must continue to follow guidelines previously agreed upon”, 11.12.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>601</sup> Remarks by Minister of Foreign Affairs Urmas Paet, “European Neighbourhood Policy – towards a Europe of Common Values” at the conference “The Baltic States and the European Neighbourhood Policy”, Riga, 23.11.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>602</sup> Ibid.

<sup>603</sup> Address by Minister of Foreign Affairs of Estonia Urmas Paet “Strengthening the European Neighbourhood Policy” at ENP conference “Working together – strengthening the



Estonia's own relations with the ENP countries have significantly expanded in recent years. In 2007, Estonia appointed for the first time diplomatic representatives to Southern ENP countries – Egypt and Israel. However, most of Estonian foreign policy and development cooperation efforts are directed towards the Eastern ENP countries, particularly Georgia, Moldova, and Ukraine. Estonia continues to support Ukraine's European and Euro-Atlantic direction and supports the conclusion of a new, enhanced Partnership and Cooperation agreement. Estonia is actively pushing for EU visa facilitation agreements with both Georgia and Moldova. According to Foreign Minister Paet, it is illogical that Russian citizens in Abkhazia and South Ossetia can travel to the EU more easily (under the simplified visa process) than Georgian citizens.<sup>604</sup> Finally, Estonia is acutely aware of intensified EU-Russia competition in the shared neighbourhood, not least because it itself has been the target of Russia's bullying tactics. Estonia has actively supported Georgia in the country's recent confrontations with Russia. For instance, it sent a team of experts to study the missile incident of August 2007; the experts confirmed facts pointing at Russian responsibility for the incident.

With regard to Russia, Estonia continues to emphasize the need for a unified EU strategy as well as the imperative of making cooperation conditional on demonstrated commitment to shared values. The Bronze-Soldier incident of April 2007 which developed into a full-blown crisis in relations with Russia was, for Estonia, a test of the EU's solidarity with its smallest and weakest members. Although the EU reacted with some delay, it eventually took a firm stand. According to Foreign Minister Paet, the Samara summit in spring 2007 where the EU "spoke in one voice and gave a clear message to Russia" exemplifies the approach that the EU should use also in the future.<sup>605</sup>

Estonia supports the conclusion of a new Partnership and Cooperation Agreement because it would set EU-Russia relations on a clearer legal foundation. The new agreement

should set realistic aims and should define the rights and obligations of both parties as clearly as possible in order to minimize room for different interpretations. There is a need to agree on a clear mandate for the EU negotiators: "a strong mandate would enable us to seize the initiative and work on the basis of a common position."<sup>606</sup> The new agreement should be in line with the "four common spaces" framework agreed to in 2005 and facilitate its implementation. In the economic realm, priority areas for Estonia include energy cooperation, reduction of trade barriers and cross-border cooperation. In this context, it is also important that the EU pays constant attention to Russia's WTO accession process. In the external security space, the resolution of the frozen conflicts constitutes a key objective. Another problem concerns the implementation of the readmission agreements which were signed together with the visa facilitation agreement. According to Paet, Russia seems to deliberately delay the conclusion of bilateral implementation protocols. The readmission question must be solved before the visa dialogue can be constructively continued.<sup>607</sup> Finally, it appears that the conclusions of the recent European Council on Foreign Relations report by Leonard and Popescu<sup>608</sup> have made their way into Estonian positions: the government argues that the rule of law should occupy a more central position in the EU-Russia dialogue than before.<sup>609</sup>

## European Neighbourhood Policy and Russia

### Finland\*

#### Key focus: Russia, Ukraine and Northern dimension of ENP

European Neighbourhood Policy seems to be off the screen in Finland.<sup>610</sup> It might be due to the fact that none of the ENP partner countries are Finland's neighbours. Another reason that has been stated is that Finland is hesitant about the ENP because there exists a certain political sensitiveness between Russia and some ENP members. Finland's primary focus

European neighbourhood Policy", 03.09.2007, Brussels, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>604</sup> Ministry of Foreign Affairs, Press Release, "Paet: EU must continue to support Georgia", 20.11.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>605</sup> Ministry of Foreign Affairs, Press Release, "Paet: Venemaa peab tagasisivõtulepingut rakendama täies ulatuses", 07.09.2007, available at: [www.vm.ee](http://www.vm.ee) (last access: 04.03.2008).

<sup>606</sup> Ibid.

<sup>607</sup> Ibid.

<sup>608</sup> Nicu Popescu and Mark Leonard, "A Power Audit of EU-Russia Relations", Policy Paper 1, European Council on Foreign Relations, November 2007.

<sup>609</sup> "Summary of the Government's priorities in the EU during the Slovenian presidency," available at: [www.riigikantselei.ee](http://www.riigikantselei.ee) (last access: 04.03.2008).

\* [Finnish Institute of International Affairs](http://www.finnishinstitute.org).

<sup>610</sup> Moshes, Arkady, E-mail, 21.1.2008.

in neighbourhood relations is Russia and thus Finland has historically been more active in developing the Northern dimension of the EU and the partnership with Russia, than the ENP.<sup>611</sup>

During the Finnish EU Presidency in 2006, EU-Ukraine relations reached a new level. New enhanced agreement was agreed on and the visa facilitation and readmission agreements were initiated. According to the Minister of Foreign Affairs Ilkka Kanerva, there is no doubt about Ukraine's Europeanness both in terms of geography and general orientation.<sup>612</sup> For Finland, Ukraine is indeed among the key countries of the ENP. Finland seems to be more optimistic regarding the possible future EU membership of Ukraine than the other EU member states. It has been pointed out in the Finnish media that the EU should tell openly why it is not willing to offer Ukraine an ambitious transformation and integration program, including a membership perspective, if it cares about the future of its eastern neighbours.<sup>613</sup> In general, the biggest problem seems to be how to reconcile the bilateral relationship between Russia, the four common spaces, ENP, ENPI and the Northern dimension.<sup>614</sup> A practical project related to this is the big conference showcasing Russia and the Northern Dimension that will take place in May 2008 in St Petersburg.

According to the European Council on Foreign Relations, Finland's relations with Russia can be described as "friendly pragmatist", similar to those of Austria, Belgium, Bulgaria, Hungary, Luxembourg, Malta, Slovakia, Slovenia and Portugal. This means that the governments have not close, but still significant relations with Russia. They tend to think "business first" and try to avoid actions that would irritate Russia.<sup>615</sup>

The official aim is to strengthen the view that the strategic partnership should be built with determination. Common competences included in the partnership and mutual rights and responsibilities should be clarified and the validity should be improved. This means replacing the current PCA agreement with a

new agreement as soon as possible.<sup>616</sup> Many efforts were made during the Finnish EU Presidency 2006 to start the process but without success due to the so-called meat crisis between Poland and Russia.

The Northern Dimension is an utmost important question for Finland. The Northern Dimension ministerial meeting held in November 2005 approved "The guidelines for the development of a political declaration and policy framework document on the Northern Dimension". These guidelines formed the basis for drafting new Northern Dimension basic documents: the Political Declaration on the Northern Dimension Policy and the Northern Dimension Policy Framework Document. They were adopted in November 2006 at the Northern Dimension Summit in Helsinki.<sup>617</sup> Within the new Northern Dimension, the parties have agreed that the Northern Dimension is a shared policy and a regional expression in the North of Europe of the EU / Russia Common Spaces with its own specificities, i.e. full membership of Norway and Iceland.<sup>618</sup> Thus, the new Northern Dimension is a genuinely common policy between the EU, Russia, Norway and Iceland and thus enables a deepening of concrete activities.<sup>619</sup> Last fall Finland held the chairmanship of the Nordic Council of Ministers, during which it also put emphasis on the new Northern Dimension. It is expected to become a success story after two quiet years.<sup>620</sup> The new Northern Dimension promotes pragmatism, more business involvement and readiness to push the "equal partnership" further. One interesting project related to this is the Northern Dimension Institute.<sup>621</sup> In this regard, a lot is expected from the future Swedish EU presidency in 2009.

<sup>611</sup> Future Perspectives of the European Neighborhood Policy, Friedrich Ebert Stiftung, Germany, forthcoming.

<sup>612</sup> Kanerva, Ilkka, Foreign Minister, Speech at STETE Seminar, 11.8.2007.

<sup>613</sup> Helsingin Sanomat, Editorial, 2.2.2008.

<sup>614</sup> Haukkala, Hiski, Finnish Institute of International Affairs, Interview, 16.1.2008.

<sup>615</sup> Helsingin Sanomat, Article, 8.11.2007.

<sup>616</sup> Vänskä, Antti, Russia Unit of the Finnish Ministry for Foreign Affairs, E-mail, 21.1.2008.

<sup>617</sup> European Commission, available at: [http://ec.europa.eu/external\\_relations/north\\_dim/doc/index.htm](http://ec.europa.eu/external_relations/north_dim/doc/index.htm).

<sup>618</sup> Joint Press Release on the IV Northern Dimension Ministerial Meeting, 21.11.2005, available at: [http://ec.europa.eu/external\\_relations/north\\_dim/doc/press\\_release\\_05.pdf](http://ec.europa.eu/external_relations/north_dim/doc/press_release_05.pdf).

<sup>619</sup> Väyrynen, Paavo, Minister for Foreign Trade and Development, Speech, 13.9.2007, available at: <http://formin.finland.fi/public/default.aspx?contentid=100567&nodeid=15149&contentlan=2&culture=en-US>.

<sup>620</sup> Prime Minister Matti Vanhanen, Helsingin Sanomat, Editorial, 29.10.2007.

<sup>621</sup> Expert Seminar: The Northern Dimension: Regional Cooperation, Business and Energy, 17.1.2008.

*Mediterranean Union: Matter of geographical balance*

Finland has consistently emphasized that the EU should be equally interested in all the neighbouring areas. Now it is a question of order.<sup>622</sup> In addition to Germany, Finland has made an attempt to increase the geographical balance between the Eastern and Southern countries of the ENP. In the public debate, the Mediterranean Union is often linked with Turkey's possible EU membership. However, no major politician or media has stated any opinion on the Mediterranean Union. This might be due to the fact that it would be interpreted as a sign of opposition for Turkey's EU membership, which again is not in line with the official Finnish policy.

Regarding the probable impact of the new provisions of the Lisbon Treaty on external relations and the ENP, the debate is still to take place in the parliament (see also chapter 1).<sup>623</sup>

**European Neighbourhood Policy and Russia**

**France\***

**Focus on Mediterranean Union and Russia**

A general remark when analysing the European Neighbourhood Policy (ENP) from the French perspective is that France is more focused on its southern neighbours, rather than the northern or eastern ones. Thus, the Nordic dimension of the ENP, or the new "enhanced agreement" with Ukraine, did not generate intense debate in France. On the other hand, the "Mediterranean Union" project proposed by Sarkozy and, to a lesser extent, the relationship with Russia, dominate the French debates related to the ENP.

*Debates on the Mediterranean Union project*

<sup>622</sup> Europe Information, available at: <http://www.eurooppatiedotus.fi/public/default.aspx?nodeid=39036&contentlan=2&culture=en-US>; Väyrynen, Paavo, Minister for Foreign Trade and Development, Speech, 13.9.2007, available at: <http://formin.finland.fi/public/default.aspx?contentid=100567&nodeid=34671&contentlan=2&culture=en-US>.  
<sup>623</sup> Kiviniemi, Mari, Minister of Public Administration and Local Government, Speech, 5.11.2007, available at: [http://www.vm.fi/vm/fi/03\\_tiedotteet\\_ja\\_puheet/02\\_puheet/20071105Hallin/name.jsp](http://www.vm.fi/vm/fi/03_tiedotteet_ja_puheet/02_puheet/20071105Hallin/name.jsp).  
**\* Centre européen de Sciences Po.**

President Sarkozy presented his project for a Mediterranean Union (MU) during a speech at Tangiers (Morocco) on the 23rd of October 2007.<sup>624</sup> He also invited all Mediterranean leaders to take part in a Conference scheduled to take place in Paris on July 13<sup>th</sup> 2008. Nicolas Sarkozy used the European integration process of 1957 as a model for the Mediterranean Union, with the purpose of establishing a "political, economical and cultural union grounded on a principle of strict equality between all nations around the same sea".

On the whole, the French media observed that this project is not convincing to many other Member States (particularly Germany). A few experts have expressed their concern at Sarkozy's discourse, which they claim is based on a confrontation between Islam and the Occident. Jean-Robert Henry, a French expert in international relations, considers the free movement of people between North and South to be a crucial issue as "the fluidity of the Mediterranean area is one condition for peace in this region".<sup>625</sup>

Although the Socialist Party has not expressed an official opinion, many of its members, such as local politician Michel Vauzelle<sup>626</sup> and the former Minister for Foreign Affairs Hubert Védrine support the project. Mr. Védrine has co-authored, together with a group of economists, a book entitled 5+5=32, which supports the MU project and even proposes a roadmap based on five core policy fields: agriculture, industry (mainly energy), investments, immigration and civil protection.<sup>627</sup> In terms of the French as a whole, 72% of the population also support this project.<sup>628</sup>

Another issue raised by the MU project concerns the countries that should be included within the scope of the MU. The Secretary of State for European Affairs confirmed that this project was not an alternative to a potential EU accession and that participation in the MU would be voluntary.<sup>629</sup> IFRI (Institut Français

<sup>624</sup> See: [www.elysee.fr/download/?mode=press&filename=Union\\_du\\_la\\_mediterranee\\_prononce.pdf](http://www.elysee.fr/download/?mode=press&filename=Union_du_la_mediterranee_prononce.pdf).  
<sup>625</sup> Henry J.-R., «La Méditerranée de Nicolas Sarkozy», La Croix, 09/10/2007.  
<sup>626</sup> Le Figaro, 04/09/2007.  
<sup>627</sup> Le Cercle des économistes et Hubert Védrine, 5+5=32. Feuille de route pour une Union méditerranéenne, Perrin, October 2007.  
<sup>628</sup> IFOP, 01/2008.  
<sup>629</sup> Inaugural speech of the 15th Ambassadors' Conference.

des Relations Internationales) expert Alain Le Roy, who actively campaigns in favour of the project, explained that this integration process would become part of a “variable geometry”. One crucial question raised by some French newspapers was the MU’s relation to the Turkish issue. Indeed, many observers wonder whether the MU could be a way of preventing Turkey from joining the EU.

#### *Reactions to the negotiations on a new partnership agreement with Russia*

Bilateral relations with Russia were not a priority for the new government, whereas the EU/Russia dialogue was expected to be crucial.<sup>630</sup> This situation has forced the French President to take a pragmatic and realistic attitude in order to find a compromise between both levels of cooperation. From the French point of view, this is the main challenge for the negotiations on a new partnership agreement with Russia. According to T. Gomart of IFRI, two other important issues must be considered. First, it is necessary to take into account the pivotal position of Russia on the Eurasian continent, rather than considering Russia to be at the extremity of Europe; second, reducing EU-Russian relations to energy issues alone should be avoided. Another French expert, Laure Delcour of IRIS (Institut de Relations Internationales et Stratégiques) considered that a cooperation based on concrete policies (including energy, but also immigration policy) would be more efficient than a general political cooperation.<sup>631</sup>

#### *Black Sea cooperation – Black Sea Synergy*

Energy policy remains a crucial issue for the French press when discussing Black Sea Cooperation as well as Russia. *Le Monde* recalled the EU’s previous indifference to the situation of this region, until it realised that the Black Sea was at the crossroads of the European energy supply.<sup>632</sup> The Black Sea Cooperation has also generated mixed analyses by French observers. On the one hand, some experts have wished that the EU would strengthen its cooperation with this region. According to a French expert from the IFG (Institut Français de Géopolitique), the EU would not be able to influence the

<sup>630</sup> Gomart T., «Paris et le dialogue UE-Russie: nouvel élan avec Nicolas Sarkozy?», *Russie.NEI.Visions*, n° 23, IFRI, September 2007.

<sup>631</sup> Delcour L., «La Russie à l’heure des échéances électorales: quel partenaire pour l’Europe», *Actualité de la Russie et la CEI - IRIS*, n°6, December 2007.

<sup>632</sup> *Le Monde*, 28/11/2007.

intercontinental equilibrium without constructing an ambitious policy at its south-eastern borders.<sup>633</sup> On the other hand, some observers believe that the added value of this new type of cooperation must first be proven. Indeed, an EU strategy in this region might end up as a mosaic of different projects without truly creating a regional bond.<sup>634</sup>

### European Neighbourhood Policy and Russia Germany\*

#### Further strengthening of a balanced ENP – no Mediterranean Union

The European Neighbourhood Policy receives great commitment from German politicians. It is considered to be of crucial importance to European Foreign Policy; contributing to stability and welfare in Europe.<sup>635</sup> While the ENP receives support from across all political parties, its nonetheless hardly politicized; controversy rather arises from related subjects such as the accession perspective for Eastern neighbours, and relations with Russia.<sup>636</sup> Generally, the German political agenda is tilted towards the Eastern perspective, but Germany also stresses its interest in the Mediterranean region. The government is very sceptical about the French proposal of a Union of the Mediterranean, and denounces the exclusion of non-Mediterranean EU members. From a German perspective, the ENP must be stepped up substantively to reach its goal of avoiding new dividing lines in Europe. The enhanced agreement with Ukraine is considered a flagship project for other ambitious neighbours. Germany favours increased economic cooperation, comprehensive cooperation on migration, and enhanced regional cooperation. Overall, Germany seeks to

<sup>633</sup> Montgrenier J.-S., «Sommet de Téhéran: de l’Atlantique à la Caspienne», *Fenêtre sur l’Europe*, 07/11/2007.

<sup>634</sup> Delcour L., «La politique de voisinage à l’heure de la mise en œuvre: questionnements autour d’une politique vigoureuse», *Actualités européennes - IRIS*, n°15, 18/12/2007.

\* **Institute for European Politics.**

<sup>635</sup> Cf. Barbara Lippert: *The Discussion on EU Neighbourhood Policy – Concepts, Reform Proposals and National Positions*, in: *International Policy Analysis*, Friedrich Ebert Foundation, Bonn 2007. See also: Institut für Europäische Politik (Ed.): *EU-25/27 Watch*, No. 4, January 2007, Berlin. p. 216-217.

<sup>636</sup> German Bundestag, Plenary Session 123, Agenda item 24: Developing the EU’s enlargement and neighbourhood policy, *Plenarprotokoll 16/123*, 08.11.2007, p. 159, available at: <http://dip21.bundestag.de/dip21/btp/16/16123.pdf> (last access: 04.03.2008).



reinforce the existing ENP framework rather than to conceive of new structures.

*Strengthening the Eastern dimension – but not at the expense of the Mediterranean*

Since the German EU Presidency in the first half of 2007, the government aims at enhancing the EU's cooperation with its Eastern partners, but without decreasing attention for the Mediterranean<sup>637</sup>; "attention to these two regions must be equal. Interregional competition [...] must be avoided"<sup>638</sup>. Overall, the Eastern neighbours are more prominently represented on the German political agenda and in the media, than their southern counterparts, due to their high salience during the German EU Presidency. Especially the recent Ukrainian and Georgian elections were well covered in the German media.<sup>639</sup> Further east, the Central Asian states have attracted some attention, in particular due to Foreign Minister Steinmeier's insistence on their significance for EU energy security and trade.<sup>640</sup> At the same time, German commitment to the Mediterranean remains unequivocally high and Chancellor Merkel (CDU) insists on reinforcing the Euro-Mediterranean Partnership.<sup>641</sup> Adamant on German interests and responsibility in the Mediterranean, the government refuses to take a back seat in the region (cf. paragraph on Union of the Mediterranean). The

Mediterranean has been in media focus regarding issues of illegal migration<sup>642</sup> and the French project of a Mediterranean Union<sup>643</sup>.

Germany seeks to maintain the common framework of the ENP and considers Ukraine to be a good example of how the ENP framework can work out.

*Enhanced agreement with Ukraine: German support for a flagship initiative*

Germany strongly supports the negotiations for an enhanced agreement with Ukraine, initiated under the German EU Presidency. Foreign Minister Steinmeier received the Ukrainian Foreign Minister Ogrysko in Berlin on February 7<sup>th</sup> 2008. Like most German politicians, he appreciated Ukrainian efforts for reform but added that the EU's future relations to Ukraine depend on their pace and profoundness.<sup>644</sup> Across the parties, members of parliament and party officials think about a possible EU membership in the long run but not as an imminent issue. The enhanced agreement with Ukraine is considered a flagship project to "serve as a signal of European willingness to step up cooperation and constitute a precedent for other highly motivated partner countries"<sup>645</sup>, especially in the area of economic cooperation. The negotiation of autonomous customs preferences for Moldova and feasibility studies for free trade with Georgia and Armenia are welcome.<sup>646</sup>

<sup>637</sup> Cf. Speech by Foreign Minister Steinmeier at the opening of the Ambassadors' Conference, 03.09.2007, available at: [www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-SteinmeierBoKo.html](http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-SteinmeierBoKo.html) (last access: 02.02.08).

<sup>638</sup> Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und Ausblick, in: *integration* 4/2007, pp. 493-498, here p. 493.

<sup>639</sup> Cf. for example: FAZ: „Wir brauchen neue Transitwege für Gas“, Interview with Julija Timoschenko, 30.01.08, p. 6; Viktor Juschtschenko: Angriff auf die Demokratie, in: FAZ, 19.06.07, p. 12; Michael Ludwig: Der Zweikampf des Weinhändlers mit dem Juristen, in: FAZ, 07.01.08, p. 3.; Michael Ludwig: Ein Reformbesessener in Bedrängnis, in: FAZ, 08.11.07, p. 12.

<sup>640</sup> Cf. opening address by Foreign Minister Steinmeier at the conference on "Central Asia and Europe: A New Economic Partnership for the 21<sup>st</sup> Century", Berlin, 13.11.2007, available at: [www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/071113-SteinmeierKonferenzZentralasienEuropa.html](http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/071113-SteinmeierKonferenzZentralasienEuropa.html) (last access: 02.02.08); Cf. also: Frank W. Steinmeier: Die Seidenstraße neu beleben, in: FAZ, 30.06.2007, p. 10.

<sup>641</sup> Cf. Press Conference by Chancellor Angela Merkel and French President Nicolas Sarkozy in Toulouse, 16.07.2007, available at: [www.bundesregierung.de/nn\\_1516/Content/DE/Mitschrift/Pressekonferenzen/2007/07/2007-07-16-merkel-sarkozy-toulouse.html](http://www.bundesregierung.de/nn_1516/Content/DE/Mitschrift/Pressekonferenzen/2007/07/2007-07-16-merkel-sarkozy-toulouse.html) (last access: 04.02.08). Ms. Merkel also participated personally in the Conference at the occasion of the Barcelona Process' 10<sup>th</sup> anniversary in 2005.

<sup>642</sup> FAZ: Vertrauenspakt mit Algier, 06.12.07, p. 6; FAZ: Sarkozy besucht Marokko: Konferenz für Einwanderung geplant, 24.10.2007, p. 2; Agence Europe: EU wants North African Countries to monitor EU borders in exchange for visa facilitation", in: *Bulletin Quotidien Europe*, No. 9554, 30.11.2007, p. 15.

<sup>643</sup> Ruth Berschens: Paris verprellt Berlin mit Mittelmeer Union, in: *Handelsblatt.com*, 06.02.08, available at: <http://www.handelsblatt.com/news/pv/p/200051/t/ft/b/1387425/default.aspx/index.html> (last access: 04.03.2008); Michaela Wiegel: Mediterrane Interpretationen, in: FAZ, p. 6, 08.12.2007.

<sup>644</sup> Federal Foreign Office: Steinmeier receives Ukrainian Foreign Minister: The relations with Europe are consolidating", 07.02.2008, available at: <http://www.auswaertiges-amt.de/diplo/de/Laenderinformationen/Ukraine/080207-AM-Ogrysko-BM.navCtx=21914.html> (last access: 07.02.08).

<sup>645</sup> Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und Ausblick, in: *integration* 4/2007, pp. 493-498, here p. 495; Cf. Address by Minister of State for Europe, Günter Gloser, at the ENP conference – "Working together –strengthening the European Neighbourhood Policy", Brussels, 03.09.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-GloserENP.html> (last access: 04.02.08).

<sup>646</sup> Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und



*Support for the Nordic Dimension: strengthening regions within the neighbourhood*

The Nordic Dimension is a project that was created with substantial German support, and the government maintains a high interest in this project, especially as it fits well into the overall German approach to strengthen regions within the neighbourhood (cf. Black Sea cooperation). The Construction of the North Stream Pipeline – connecting Russia to Germany but bypassing the Baltic States and Poland – is a politically disputed issue in this region. According to Chancellor Merkel (CDU), the project of the North Stream Pipeline is backed politically by the current German government<sup>647</sup>. “It is a European, not a German project that many EU member states will be able to profit from”, as The EU needs diversification of supply routes for energy security vis-à-vis Russian -Belarusian or -Ukrainian disputes.<sup>648</sup>

*Seeking a new partnership with Russia, a strategically important partner*

After the Russian presidential elections, Germany expects the start of negotiations for a new agreement.<sup>649</sup> Efforts for negotiating the new agreement will be stepped up during the Slovenian and the French Presidency in the second half of 2008 should lead to a break though in negotiations.<sup>650</sup> The issue of a new partnership agreement with Russia has not lost its importance since the German EU Presidency, when the German government had started working towards a new agreement. Germany considers Russia to be a crucial partner, especially with regard to regional stability and energy supply. German opposition parties, too, agree on the need for a new

Ausblick, in: *Integration* 4/2007, pp. 493-498, here p. 495-496.

<sup>647</sup> „Merkel: Strategische Partnerschaft mit Russland lebt“, in: FAZ, 16.10.2007, p. 2.

<sup>648</sup> Speech by Gernot Erler, State Minister in the Federal Foreign Office: European Energy relations with Russia and Central Asia. Ifri, Paris, 01.02.2008, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2008/080201-Erler-IFRI-Europa-Energie.html> (last access: 04.02.08).

<sup>649</sup> Cf. Agence Europe: Visiting Riga, Steinmeier expressed doubts over whether negotiations between the EU and Russia could still begin before the start of the Russian presidential elections in March 2008, in: *Bulletin Quotidien Europe*, 14.07.2007, Nr. 9468, p. 4.

<sup>650</sup> Ansgar Graw: Ist Putin ein lupenreiner Demokrat, Herr Erler? Interview with G. Erler, State Minister in the Federal Foreign Office, in: *Die Welt*, 21.01.2008, available at: [http://www.welt.de/politik/article1576805/Ist\\_Putin\\_ein\\_lupenreiner\\_Demokrat\\_Herr\\_Erler.html](http://www.welt.de/politik/article1576805/Ist_Putin_ein_lupenreiner_Demokrat_Herr_Erler.html) (last access: 04.02.08).

agreement with Russia.<sup>651</sup> Recently, a debate in German foreign politics on “loud versus silent diplomacy” revealed an alleged friction between Ms. Merkel’s critical position towards anti-democratic leaders and human rights violations abroad and Foreign Minister Steinmeier supposed restrained.<sup>652</sup> These frictions often seem overstated. Rather than a real antagonism, it is a hindsight of and a dissociation from former Chancellor Schroeder’s foreign policies, i.e. his “Russia first” policy and triumphant policy style. Regarding relations with Russia, Chancellery and Foreign Office agree on the rationale of cooperation, mutual dependency, and open communication.<sup>653</sup> At this year’s Petersburg Summit (annual Russian-German forum with members of civil society) in Wiesbaden in October 2007, Chancellor Merkel underlined the importance of Russian-German cooperation in economy, science and technology. Merkel saw Germany and Russia united by many common interests and mutual dependency in energy import/export.<sup>654</sup> Continuing the agenda of the German EU Presidency, Foreign Minister Steinmeier (SPD) advocates a strategy of cooperation: Russia ought to be part of a tight network with the EU and “anchor[ed] as firmly within Europe as possible”<sup>655</sup>. In a nutshell, “Russia is a big neighbour with whom we must develop a

<sup>651</sup> Cf. Liberal Democratic Party: Press Release: Konstruktiver Realismus in der Russland-Politik gefragt, 03.12.2007, available at: [http://www.liberales.de/webcom/show\\_websiteprog.php/c-730/lkm-167/nr-9715/-/nr-9464/kids-i.html](http://www.liberales.de/webcom/show_websiteprog.php/c-730/lkm-167/nr-9715/-/nr-9464/kids-i.html) (last access: 04.02.08); Cf. Green Party: Bilanz der deutschen EU Ratspräsidentschaft, 27.06.2007, available at: [http://www.gruene-bundestag.de/cms/europaeische\\_union/dok/188/188672.html](http://www.gruene-bundestag.de/cms/europaeische_union/dok/188/188672.html) (last access 04.02.08).

<sup>652</sup> Cf. e.g. Wulf Schmiese: Ein lauter Streit über die leise Diplomatie, in: FAZ, 12.11.2007, p. 2; and Zwei Konzepte deutscher China-Politik, in: FAZ, 23.11.2007, p. 2.

<sup>653</sup> FAZ: “Wir gebrauchen gegenüber Putin deutliche Worte”, Interview with Foreign Minister Steinmeier, 17.12.2007, p. 7, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/071217-SteinmeierFAZ.html> (last access: 04.02.08).

<sup>654</sup> Speech by Chancellor Angela Merkel at the 7<sup>th</sup> Petersburg Dialogue, Wiesbaden, 15.10.2007, available at: [http://www.bundesregierung.de/nr\\_1498/Content/DE/Rede/2007/10/2007-10-15-rede-bkin-petersburger-dialog.html](http://www.bundesregierung.de/nr_1498/Content/DE/Rede/2007/10/2007-10-15-rede-bkin-petersburger-dialog.html) (last access: 04.02.08); Cf. also Institut für Europäische Politik (Ed.): EU-25/27 Watch, No. 4, January 2007, Berlin, p. 217, available at: [http://www.iep-berlin.de/fileadmin/website/09\\_Publikationen/EU\\_Watch/EU-25\\_27\\_Watch\\_No.4.pdf](http://www.iep-berlin.de/fileadmin/website/09_Publikationen/EU_Watch/EU-25_27_Watch_No.4.pdf) (last access: 04.02.08).

<sup>655</sup> Cf. Speech by Foreign Minister Steinmeier at the opening of the Ambassadors’ Conference, 03.09.2007, available at: [www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-SteinmeierBoKo.html](http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-SteinmeierBoKo.html) (last access: 02.02.08); Cf. Frank W. Steinmeier: Verflechtung und Integration, in: *Internationale Politik*, März 2007, pp. 6-11.

thriving relation. This insight does not require any certificates on the quality of Russian governance".<sup>656</sup> Next to bilateral relations with Russia, and the afore mentioned relations to Ukraine, Germany seeks to enhance regional cooperation in the European neighbourhood.

#### *Strong encouragement of Black Sea regional cooperation*

Enhancing the Black Sea regional cooperation is a paramount issue on the German agenda for the Eastern neighbourhood<sup>657</sup>, receives support across all political parties<sup>658</sup> and figured prominently among the results of the German EU Presidency<sup>659</sup>. Germany seeks to strengthen regional cooperation within the neighbourhood (also Nordic Dimension, support for Barcelona Process). The Black Sea region is considered to hold great economic potential, to be a strategic corridor for energy imports but also a risk for regional instability. Germany sees potential for modernization, economic development, and infrastructure and decreasing bilateral tensions in the region through the merits of enhanced regional integration.<sup>660</sup> At the ENP Conference in Brussels, on September 3<sup>rd</sup> 2007, the German delegate insisted on the importance of the Black Sea regional cooperation as the multilateral component of ENP; "in this region we seek a practical and results-oriented cooperation in issue areas with trans-border significance. We're especially looking at the

sectors of energy, environment, transport, migration, and fighting organized crime".<sup>661</sup> The regional cooperation is meant as a cooperation of 'variable geometry', denying single states the power to block advances and relying only on those states who are willing to participate.<sup>662</sup>

#### *Union of the Mediterranean: redoubling existing structures, excluding European partners*

While there is consensus among German policy makers and researchers that the Barcelona Process falls short of its initial intentions<sup>663</sup>, the German government is highly critical of the project of a Union of the Mediterranean since it would redouble already existing structures (EMP, ENP) and exclude cooperation with the Mediterranean states from the realm of competencies of the entire EU, to only the Mediterranean states. In their critiques, Chancellery (CDU) and Foreign Ministry (SPD) agree. They insist that relations with its Southern neighbours are to remain part and parcel of the EU's Foreign Policy.<sup>664</sup> Already in July 2007, during a joint press conference with President Sarkozy in Toulouse, Chancellor Merkel stated that "we must avoid that Europe falls apart, with some states flocking around the Baltic Sea and others around the Mediterranean. We have a joint responsibility"<sup>665</sup>. The government stresses that German has interests in the Mediterranean, an important region as regards peace and stability, just like France has an interest in the EU's strategic partnership with Russia. According to Ms. Merkel, the proposed Mediterranean Union contains the risk of

<sup>656</sup> FAZ: "Wir gebrauchen gegenüber Putin deutliche Worte", Interview with Foreign Minister Steinmeier, 17.12.2007, p. 7, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/071217-SteinmeierFAZ.html> (last access 04.02.08).

<sup>657</sup> Barbara Lippert: The Discussion on EU Neighbourhood Policy – Concepts, Reform Proposals and National Positions, in: International Policy Analysis, Friedrich Ebert Foundation, Bonn 2007.

<sup>658</sup> Ausschuss für die Angelegenheiten der Europäischen Union: Die Erweiterungs- und Nachbarschaftspolitik der EU weiterentwickeln, Drucksache 16/697707, 11.2007, p. 6.

<sup>659</sup> Cf. European Council: Council Conclusions, Strengthening the European Neighbourhood Policy, 11016/07, Brussels, 19.07.2007. Cf. Federal Foreign Office: Press Release: Bilanz der deutschen EU Ratspräsidentschaft, 27.06.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Meldungen/2007/070627-BilanzPraesidentschaft.html> (last access: 02.02.08).

<sup>660</sup> Cf. Federal Foreign Office: press release, Präsidentschaftsbericht zur Weiterentwicklung der Europäischen Nachbarschaftspolitik, 28.06.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Meldungen/2007/070628-20ENP.html> (last access: 04.02.08); Cf. Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und Ausblick, in: integration, 4/2007, pp. 493-498, here p. 497-498.

<sup>661</sup> Address by Minister of State for Europe, Günter Gloser, at the ENP conference – "Working together –strengthening the European Neighbourhood Policy", Brussels, 03.09.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/070903-GloserENP.html>, (last access: 04.02.08).

<sup>662</sup> Ukraine's Foreign Minister invited his colleagues from the EU and from the Black Sea region to a Conference in Kyiv on Regional Cooperation in mid February.

<sup>663</sup> Cf. Press Conference by Chancellor Angela Merkel and French President Nicolas Sarkozy in Toulouse 16.07.2007, available at:

[http://www.bundesregierung.de/nn\\_1516/Content/DE/Mitschhrift/Pressekonferenzen/2007/07/2007-07-16-merkel-sarkozy-toulouse.html](http://www.bundesregierung.de/nn_1516/Content/DE/Mitschhrift/Pressekonferenzen/2007/07/2007-07-16-merkel-sarkozy-toulouse.html) (last access: 04.02.08).; Cf. Anette Jünemann: Zehn Jahre Barcelona Prozess: Eine gemischte Bilanz, in: Aus Politik und Zeitgeschichte, No. 45, 2005, S. 7-14.

<sup>664</sup> FAZ: "Wir gebrauchen gegenüber Putin deutliche Worte", Interview with Foreign Minister Steinmeier, 17.12.2007, p. 7, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/071217-SteinmeierFAZ.html> (last access 04.02.08).

<sup>665</sup> Press Conference by Chancellor Angela Merkel and President Nicolas Sarkozy in Toulouse 16.07.2007.

creating tensions and disintegrating the EU. Merkel predicted that the creation of a Union of the Mediterranean would incite other EU member states to create an Eastern European Union.<sup>666</sup> Merkel repeated her reservations during her visit to Paris on January 30<sup>th</sup> 2008 in a speech delivered before the members of the French party UMP<sup>667</sup>, as well as during her meeting with the Spanish Prime Minister Zapatero the following day.<sup>668</sup>

In reaction to Ms. Merkel's critique, the French Secretary of State for European Affairs, Jean-Pierre Jouyet warned his government not to exclude Germany and other non-Mediterranean countries and spoke out in favour of enhancing already existing structures. The French project could seriously disturb the political climate for the upcoming French Council Presidency. He pointed out that the German government prefers consultations prior to the unveiling of such projects.<sup>669</sup> Sarkozy responded to this saying that Germany and those states who wish could be associated with the project for the Mediterranean Union", but that "those who don't want to don't have to and should not prevent the others from moving forward".<sup>670</sup>

#### *Enhancing the ENP to fight illegal migration and secure energy transit*

Reducing illegal migration from the South and securing energy supply from the East are prime issues on the German agenda for the neighbourhood. Illegal migration is feared to become a destabilizing factor in domestic and

<sup>666</sup> Agence Europe, EU/Mediterranean: Angela Merkel clearly against Mediterranean Union but Nicolas Sarkozy seeking to reassure her", in: Bulletin Quotidien Europe, Nr. 9560, 08.12.2007, p. 5.

<sup>667</sup> Cf. Ambassade d'Allemagne, Paris: Press Review 31.3.2008, available at: [http://www.paris.diplo.de/Vertretung/paris/fr/Newsletter\\_2008\\_01/31\\_01/prd\\_31\\_01\\_seite.html](http://www.paris.diplo.de/Vertretung/paris/fr/Newsletter_2008_01/31_01/prd_31_01_seite.html) (last access: 04.02.08).

<sup>668</sup> Cf. Press Conference on the Spanish- German government consultations, 31.1.2008, available at: [http://www.bundesregierung.de/nn\\_1516/Content/DE/Mitschrift/Pressekonferenzen/2008/01/2008-01-31-pk-merkel-zapatero.html](http://www.bundesregierung.de/nn_1516/Content/DE/Mitschrift/Pressekonferenzen/2008/01/2008-01-31-pk-merkel-zapatero.html) (last access: 04.02.08).

<sup>669</sup> Cf. Pierre Avril: Union méditerranéenne: la mise en garde de Jouyet, in: Le Figaro, 25.01.2008, available at: <http://www.lefigaro.fr/international/2008/01/25/01003-20080125ARTFIG00403-union-mediterraneenne-la-mise-en-garde-de-jouyet.php> (last access: 04.02.08).

<sup>670</sup> Cf. Agence Europe: Divergences on Mediterranean Union remain, in: Bulletin Quotidien Europe, No. 9592, 01.02.2008, p. 4; Cf. Jean-Baptiste Garat et Judith Waintraub: Sarkozy veut rassurer Merkel sur l'Union méditerranéenne, in: Le Figaro, 31.01.2008, available at: <http://www.lefigaro.fr/politique/2008/01/31/01002-20080131ARTFIG00427-sarkozy-veut-rassurer-merkel-sur-l-union-mediterraneenne.php> (last access: 04.02.08).

foreign politics. And while the countries at the EU's external borders are more directly affected, Germany is concerned as a country of immigration.<sup>671</sup> Controlling migration and managing the EU's external borders is paired with the suggestion to enhance the visa facilitation and readmission agreements with Ukraine and Moldova.<sup>672</sup> The second key challenge for the ENP is to strengthen energy partnerships with the Eastern neighbours: to stabilize the region for secure energy transits, to diversify energy transport routes and types of fuel – including from the Caspian Sea and Central Asia – to harmonize judicial frameworks and facilitate investment.<sup>673</sup> Germany supports in particular the integration of Ukraine and Moldova into the south-east European Energy Community.<sup>674</sup>

#### *The Lisbon Treaty: Increasing efficiency or institutional competition?*

The main discourse on the impact of the Treaty of Lisbon is that the new Foreign Policy provisions increase the EU's capacity to act in its neighbourhood and in the world. The Treaty of Lisbon is approved for creating more permanent political structures (President of the European Council), seeking institutional synergy (combination of tasks with the double hat of the High Representative/Vice President of the Commission) and (hopefully) facilitating decision making processes.<sup>675</sup> Chancellor

<sup>671</sup> Cf. Speech by Minister of State for Europe, Günter Gloser, Round Table "Die Hinwendung der Europäischen Union zur Mittelmeerregion - Europa und seine Nachbarn", Paris, 26.11.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/071126-GloserEuropasNachbarn.html> (last access: 04.02.08). See also: FAZ: Vertrauenspakt mit Algerien, 06.12.07, p. 6; FAZ: Sarkozy besucht Marokko: Konferenz für Einwanderung geplant, 24.10.2007, p. 2; Agence Europe: EU wants North African Countries to monitor EU borders in exchange for visa facilitation", in: Bulletin Quotidien Europe, No. 9554, 30.11.2007, p. 15.

<sup>672</sup> Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und Ausblick, in: integration, 4/2007, pp. 493-498, here p. 496.

<sup>673</sup> Cf. Speech by Foreign Minister Steinmeier, „Cooperative Energy Security within a common European Energy Policy“, held at the XIII. Europa Forum Berlin BMW Stiftung Herbert Quandt, Berlin, 16.11.2007, available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Reden/2007/071116-quandt-steinmeier.html> (last access: 04.02.08).

<sup>674</sup> Günter Gloser: Europäische Nachbarschaftspolitik nach der deutschen EU-Ratspräsidentschaft – Bilanz und Ausblick, in: integration, 4/2007, pp. 493-498, here p. 467.

<sup>675</sup> Cf. Press Conference by Chancellor Angela Merkel on the informal European Summit, 19.10.2007, available at: [http://www.bundesregierung.de/nn\\_1516/Content/DE/Mitschrift/Pressekonferenzen/2007/10/2007-10-19-pk-merkel-eu-infomeller-rat.html](http://www.bundesregierung.de/nn_1516/Content/DE/Mitschrift/Pressekonferenzen/2007/10/2007-10-19-pk-merkel-eu-infomeller-rat.html) (last access 04.02.07); Cf. FAZ: "Wir gebrauchen gegenüber Putin deutliche Worte", Interview with Foreign Minister Steinmeier, 17.12.2007, p. 7.

Merkel sees “considerable progress for an increased efficiency” in the EU’s external relations.<sup>676</sup> Yet, the concrete functioning of the new posts can only be assessed over a long period of time. As regards the President of the European Council, Germany prefers an integrative personality with strong European credentials and personal authority. Therefore, for example Mr. Blair is considered not as a favourite. The double-hatted position of the High Representative for Foreign Affairs and Vice President of the European Commission should contain significant supranational elements, such as the European Diplomatic Service (EEAS), and not become the pawn of single member states. For the time being, Germany has not yet proposed a German candidate for either position.<sup>677</sup>

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#### European Neighbourhood Policy and Russia

#### Greece\*

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#### “From multilateral to bilateral and back”

Greece has built a very close relationship with Russia in the course of 2007, based on long-standing historical ties, but with a new sense of urgency. Energy diplomacy has played a major role, with both oil (Burgas-Alexandroupolis) and, more importantly, gas (Southstream) pipelines being built, so as to allow for Russian energy to flow towards Europe; the first project has matured after the better part of two decades, with a Greek-Bulgarian-Russian partnership; the second involves routing Russian gas to Italy after transiting the Southern Balkans. Both projects by-pass Turkey; especially the second has met with outright US hostility (with the argument that it “ties Europe ever more closely to energy dependence from Russia”). Such energy sector co-operation has been given high-profile coverage both from Athens and Moscow, as visits were repeatedly exchanged between President Putin and Prime Minister Karamanlis (with follow-up from several Ministers) with heavy media coverage. Moreover, armaments agreements have also been negotiated, with a 1.5 billion Euro purchase of some 400 Russian armour, making the Greek army the first NATO force being thus equipped.

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available at: <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/071217-SteinmeierFAZ.html> (last access 04.02.08).

<sup>676</sup> Press Conference by Chancellor Angela Merkel on the informal European Summit, 19.10.2007.

<sup>677</sup> Nikolas Busse: Neue Ämter, alte Namen, in: FAZ, 15.2.08, p. 6.

\* **Greek Centre of European Studies and Research.**

The tightening of bilateral relations – which has had a spillover effect in matters such as relations with Serbia or the Cyprus issue – has pushed back Greek interest in furthering the ENP multilateral dimension of relations with Russia. Still, the official Greek position remains engaged to ENP.

As to Sarkozy’s “Mediterranean Union” proposal, it has met with polite interest at best. But no concrete content has been traced back to this initiative, to further either the Barcelona process of the EU (as George Papandreou was prompt to mention, just after Sarkozy put forward his tentative proposal), or existing bilateral relations<sup>678</sup>.

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#### European Neighbourhood Policy and Russia

#### Hungary\*

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#### Intermediate status for Eastern neighbours – perspective membership

#### *Key regions/countries for ENP*

For Hungary Ukraine is definitely the key ENP-country due to all consequences of the neighbouring position/location: its transit role, the dynamically growing bilateral economic links and the presence of a Hungarian minority in the country. The approach of the Hungarian opposition is focusing on the minority issue and Hungarian activities in the border region, namely in Trans-Carpathia county. However, recently the minority issue has become a central element in the official Hungarian course as well<sup>679</sup>. Moldova is also an important ENP target-country where Hungary actively takes part in European border assistance projects. Hungary would like to see the deepening of EU-Moldavian relations in the foreseeable future and is prepared to actively contribute to it. On the other hand, Belarus is addressed by far less attention at the moment. Generally speaking, due to geographical reasons, the Eastern priorities of the ENP are of key importance for Hungary (unlike the Mediterranean dimension, as discussed below).

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<sup>678</sup> Government figures have reacted positively in official circumstances; see Dora Bakoyanni at the Economic Mediterranean Forum (21 Feb. 2008), available at: [www.mfa.gr](http://www.mfa.gr) (last access: 04.03.2008).

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<sup>679</sup> See the document entitled “Directions and tasks of European policy strategy of the Government”, August 1, 2007, pp. 27-28 (<http://www.kulugyminiszterium.hu>).



### *New “enhanced agreement” with Ukraine*

Hungary is among those EU member states that are especially interested in further development of EU-Ukrainian relations<sup>680</sup>, including the conclusion of a new “enhanced agreement”. Official positions and opposition views do not diverge much on this issue. For several years Hungary has officially supported the establishment of a free trade zone with Ukraine on EU-level and agrees with the suggested “deep and comprehensive free trade” idea since it incorporates European and Ukrainian economies getting closer to each other.

With the strategic aim of deepening and differentiating the ENP, Hungary suggests to establish a so-called ‘intermediate’ legal status between clear EU-membership offer and ENP, especially taking into account the unique case of Ukraine for which Budapest deems it necessary not to exclude the possibility of membership (however, the time horizon is still an open question). In fact, Hungary could imagine the “enhanced agreement” carrying the same value as an association agreement, in terms of political dialogue and ever deeper economic integration (even if the future agreement would not make explicit reference to membership).

To sum up, Hungary is a definite supporter of Ukrainian EU-integration process. In the long term Hungary would like to see all its neighbours within the European Union, and in general, according to the official Hungarian position, the Copenhagen criteria still create appropriate conditions for further enlargements.

### *Start of negotiations on new partnership agreement with Russia*

Hungary considers Russia as one of the strategic partners<sup>681</sup> and is in favour of the EU to start negotiations with Moscow on the new agreement as soon as possible. Hungary regrets the long delay in this respect, exercising a negative impact on EU-Russia

relations in general. Hungary hopes that the situation can be remedied during the Slovenian presidency when problematic issues can be solved and negotiations can be launched. As regards the bilateral relations, the official approach towards Russia is rather pragmatic while the Hungarian opposition much more insists on taking all-European efforts with a view to urging Russia to act in line with “European values”. At the same time, all parliamentary parties agree that energy issues should be part of the new agreement replacing the earlier PCA.

### *Nordic dimension of ENP and Baltic cooperation*

This issue is not really relevant for Hungary. Hungary supports all European initiatives aimed at strengthening Baltic cooperation and the Nordic dimension of ENP, but is not really active in this sphere.

### *Biggest challenges from ENP regions – East and South (immigration and energy issues)*

Illegal immigration from East across the Ukrainian border (including both transit and Ukrainian immigrants) combined with consequences of illegal work is one of the major challenges Hungary faces from its Eastern neighbours, especially Ukraine. However, with the aim of enabling the greatest freedom of movement possible for ethnic Hungarians living in Ukraine, Hungary is interested in strengthening the ‘linking role’ of borders. Therefore Hungary supports all initiatives aimed at creating a workable (for the EU) and affordable (for Ukrainian citizens) visa regime within the Schengen system.

The energy security issue ties together Hungarian interests in the EU and Hungarian policy towards both Russia and Ukraine. Due to its direct impact on citizens this is among those few EU-related topics that is present in the public discussion as well, representing a recurrent theme for the media. Actually, the EU-Russian-Ukrainian “energy triangle” is one of the most dividing issues between the present government and the opposition. While it is evident that for Hungary relations with both Russia and Ukraine are of key importance, due to different factors, approaches towards these relations are far from being identical. While the governing parties state that “Hungary is interested in a consolidated Russian-Ukrainian

<sup>680</sup> Statement of Mr. Csaba Tabajdi, Party of European Socialists, member of the Committee on Foreign Affairs of the European Parliament (Hungarian News Agency Corporation, January 2008).

<sup>681</sup> Russia is among those few big countries of the world (i.e. USA, Russia, China and India) with which Hungary intends to build strategic relations according to the new document “Directions and tasks of European policy strategy of the Government”, August 1, 2007, p. 13 (<http://www.kulugyminiszterium.hu>).



relationship in all respects<sup>682</sup> and consequently in a pragmatic EU course towards Russia, the Hungarian opposition's readiness for European compromises with Russia on a pragmatic basis is much weaker, they insist on a strict value-based approach towards Russia. Regarding energy (namely gas), the opposition has been calling consistently for import diversification within the framework of a common European energy policy. The latter point has finally also appeared in the new official strategy document of the government<sup>683</sup>.

#### *Black Sea Synergy / Black Sea cooperation*

In November 2007, the Council of Foreign Ministers of the Black Sea Economic Cooperation (BSEC) has approved the Hungarian appeal to obtain a kind of associated status (participation in the "Sectoral Dialogue Partnership") for two years with a likely prolongation. According to the Hungarian Foreign Ministry's spokesman, Hungary's part in this international forum is a great success for the Hungarian diplomacy<sup>684</sup>. Mr. Lajos Szelestey also underlined that Hungary is interested in creating the best preconditions for strengthening economic positions in the Black Sea Region, one of the main source and transit areas of oil and gas. Hungary sees opportunities for a dialogue and further cooperation with the BSEC in the sectors of energy, energy provision, transport, tourism, environmental protection, fighting organised crime and illegal migration<sup>685</sup>.

#### *Potential impact of Sarkozy's project "Mediterranean Union" on ENP*

While not altogether alien to Hungarian history, the Mediterranean region has not been a priority in Hungarian foreign policy over the past few decades, and was especially sidelined at the time when Hungary was not even an official candidate for EU membership. Thus, the Hungarian national attitude towards the Euro-Mediterranean Partnership (EMP)

and the Mediterranean as a whole has evolved in the context and during the process of EU integration, and has been shaped by more general considerations, like the geopolitical situation of the country and its past experiences.

For Hungary the EMP is an important means to provide security for Europe as a whole through multilayered relationship with the Southern shore of the Mediterranean. Hungary participates actively in all the relevant structures and activities of the Partnership, but its capabilities are rather limited. Hungary is still in the learning phase as regards policy-making within the EMP which is still perceived more as a context for bilateral relations than as a form of integrated cooperation. Besides general security-related issues, Hungary has also economic and trade interests in the region, and tries to pursue them within the EU framework. However public awareness of the EMP in Hungary is still very limited, and outside official circles it is debated only in a relatively restricted academic framework.

Hungary is also concerned with Southern security threats as perceived by the EU (migration, political and economic instability, the spill-over of local conflicts, terrorism, smuggling, and organised crime, among others), but Hungary's immediate neighbourhood, the Balkan region has been more of a problem in this regard, particularly during the civil wars in Yugoslavia. Therefore the mentioned threats are only sporadically associated with the Southern Mediterranean states.

Because Hungary perceives the Balkans rather than the Mediterranean as a greater source of risks, it lays more emphasis on the stability and EU-integration of the former than on developing more intensive ties with the latter. The Hungarian self-perception is that it has a special understanding and knowledge of the Balkans, with which it shares a common political, economic and cultural history.

The EU decision to begin accession negotiations with Turkey in October 2005 has not yet gained much public attention, and although there are some signs of discontent (e.g. some civil organisations collecting signatures against Turkish accession) such events are marginal, and predominantly reflect sentiments in France or Germany. It should also be added here that the absence of sizeable Muslim communities in Hungary

<sup>682</sup> Statement of Mr. Csaba Tabajdi, Party of European Socialists, member of the Committee on Foreign Affairs of the European Parliament (Hungarian News Agency Corporation, January 2008).

<sup>683</sup> "Directions and tasks of European policy strategy of the Government", August 1, 2007, p. 25

(<http://www.kulugyminiszterium.hu>).

<sup>684</sup> See:

[http://www.kmu.gov.ua/control/publish/news\\_article?art\\_id=97333831](http://www.kmu.gov.ua/control/publish/news_article?art_id=97333831).

<sup>685</sup> See:

[http://www.kmu.gov.ua/control/publish/news\\_article?art\\_id=97333831](http://www.kmu.gov.ua/control/publish/news_article?art_id=97333831).

means that Islamophobia is almost non-existent in the country. The relative absence of this kind of sentiment could give Hungary a wider margin of manoeuvre in the Mediterranean.

In general, Hungary would like to see the Southern and the Eastern dimensions of the ENP more balanced – that is the EU should further intensify its Eastern relations by offering a more stable framework for cooperation and by pursuing a more pragmatic approach.

## European Neighbourhood Policy and Russia Ireland\*

### Ireland as honest broker in ENP

#### *Priority countries/regions for Ireland*

Ireland does not discriminate between ENP countries in terms of importance. It would largely view itself as an “honest broker” within this policy area. Ireland’s position on issues relating to ENP largely corresponds with the conclusions of the European Council.

December’s European Council meeting welcomed the prospect for concluding a Framework Agreement with Libya and welcomed Albania and Mauritania into the Barcelona process. The opening of negotiations on an Enhanced Agreement with Ukraine was welcomed in June’s European Council conclusions. The extension of a Global Approach to Migration to the neighbouring Eastern and South-Eastern regions and the decision to invite Armenia, Azerbaijan and Georgia on a case by case basis to align with EU declarations, demarches and positions on CFSP issues was also welcomed. Finally, the start of work on a strengthened and more coherent EU engagement towards the Black Sea area was endorsed.

#### *Enhanced Cooperation Agreement with Ukraine*

Ireland endorses the European Council conclusions of June 2007 welcoming the opening of Enhanced Agreement with Ukraine. The conclusions highlight Ukraine’s potential to serve as a model for the deepening of economic relations with other ENP countries. Preceding the end of the 3-year Action plan with Ukraine there has been a deepening of economic relations. Enhanced Agreement

entails the maintenance of a free trade area and increased energy cooperation between Ukraine and the EU, pending Ukraine’s accession to the WTO. The latter condition is widely expected to be realised soon and Ireland is enthusiastic about progress made thus far.

#### *The Failure to start negotiation on a new PCA with Russia*

Bilateral disputes between Russia and member States, most notably a trade dispute with Poland resulted in failure to renegotiate a new PCA at the two EU-Russia summits of 2007. Ireland recognises the importance of maintaining a strategic partnership with Russia. It is acknowledged that the relationship will not fall apart in the event of continued failure to agree on a new PCA but the Irish government would welcome the start of negotiations to reach an agreement. To this end, the government recognises the need for a redefinition of the relationship. “There is now need for a new vision of the relationship based on common interests and leading to a deep partnership built around far-reaching economic integration of the whole of Europe, including Russia”<sup>686</sup>.

#### *The Nordic Dimension and Baltic cooperation*

It is important that ENP remains flexible in its structure in order to aid the coherence of the overall policy. Ireland acknowledges that the Union’s northern neighbours are keen to deepen their relationship with the Union.

#### *Black Sea Synergy/Black Sea cooperation*

In June’s Council conclusions Ireland welcomed the beginning of strengthened and coherent engagement towards the Black Sea area and recalled the conclusions in May on the Black Sea Synergy Initiative. In developing this initiative, the EU can build on the experience gained in the context of the Barcelona process and consider the lessons learned in the Northern Dimension and build upon synergies with other regional cooperation processes.

<sup>686</sup> Opening Statement on behalf of Mr Dermot Ahern, Minister for Foreign Affairs: ‘Russia’s Global Perspective: Defining a new relationship with Europe and America’, at the Annual Conference of the Royal Irish Academy, Committee for International Affairs, 23 November 2007, available at: <http://www.dfa.ie/uploads/documents/Political%20Division/071123russiaria.doc> (last access: 25.03.2008).

\* Institute of European Affairs.

*Potential impact of Sarkozy's project Mediterranean Union*

This project has yet to be formalised and therefore Irish policy has yet to be formulated on the proposal. A key questions for Ireland is how the project fits in with the existing "Euro med project". Initial reactions indicated that the government is of the opinion that any proposed project should occur within the framework of ENP. As yet, the prevailing view is that more detail is required on the project before a policy is established.

*Biggest challenges from ENP regions-East and South (Immigration, security, energy etc.)*

Mobility and migration issues and frozen conflicts are singled out as key challenges from ENP regions in the Commission Communication approved by Ireland at last December's European Council meeting. This report recommended that Visa facilitation agreements should be extended to include all ENP countries. Such an initiative would concern Armenia, Azerbaijan and Georgia as Visa Facilitation agreements for Ukraine and Moldova are already in force.

Frozen conflicts in ENP regions affect EU attempts at reform and the EU's own security, through regional escalation, unmanageable migratory flows, disruption of energy supply and trade routes or the creations of breeding grounds for terrorist and criminal activity.

ENP was highlighted as a key tool in addressing "common challenges" such as environmental protection, climate change, energy security, international terrorism in a speech by Commission President Jose Manuel Barroso at a Ministerial Conference in September 2007.

*Probable Impact of new provisions of Lisbon Treaty on external relations and ENP*

The Irish government believe that the institutional changes put forward in the Treaty will make the EU a more efficient and competent actor on the world stage. Speaking at the Institute of European Affairs on February 5, 2008, Ireland's Minister for Foreign Affairs, Mr Dermot Ahern, stated his belief that "the Reform Treaty will develop the capacity of the Union to act on the world stage in a manner that is fully in step with Ireland's values and objectives". The issues of sovereignty and military neutrality are sensitive issues for

Ireland in the context of the EU's external relations. The government has stated that the Reform Treaty does not infringe on Irish sovereignty which is protected by the Triple-Lock Mechanism i.e. the requirement for government, parliamentary approval and a UN mandate before the deployment of Irish armed forces abroad.

Finally, the government is satisfied with the Reform Treaty provision that "external policy is continued to be guided by the principles which have inspired its own creation, development and enlargement ... democracy, the rule of law, human rights...and the principles of the United Nations Charter."

European Neighbourhood Policy and Russia

Italy\*

Support for Mediterranean Union

At the political and security level, Italian priorities lie in the South and Southeast immediate surrounding areas, i.e. the wider Mediterranean region and the Western Balkans, although the last one does not fall under the ENP. In the opinion of the Minister Massimo D'Alema, if Europe does not succeed in stabilising these areas, and other focal points such as the Caucasus and the Middle East, it cannot aspire to manage migratory issues, organised crime or energy security questions.<sup>687</sup>

The Italian government, alongside France, Spain and a few other EU Members, favours the strengthening of the ENP mainly by attributing high political value to the Mediterranean region, rather than merely intensifying EU-Eastern Europe relations. Nicolas Sarkozy's effort to establish stronger cooperation ties among littoral countries of the Mediterranean Sea is supported by the Italian government. The French President met Italian Prime Minister Romano Prodi and Spanish Prime Minister Jose Luis Rodriguez Zapatero in Rome, on December 20, 2007, to think together about the main lines of the new

\* **Istituto Affari Internazionali.**

<sup>687</sup> M. D'Alema, "Europe's Second Chance", Address at the European University Institute, Firenze, 25 October 2006, available at:

[http://www.esteri.it/MAE/EN/Ministero/Ministro/Interventi/2006/10/Intervento\\_0.htm](http://www.esteri.it/MAE/EN/Ministero/Ministro/Interventi/2006/10/Intervento_0.htm) (last access: 04.03.2008). See also the article by M. D'Alema, "Interests and Values: Italian foreign policy", 31 January 2007, available at: [http://www.esteri.it/MAE/EN/Ministero/Ministro/Interviste/2007/01/Intervista\\_0.htm](http://www.esteri.it/MAE/EN/Ministero/Ministro/Interviste/2007/01/Intervista_0.htm) (last access: 04.03.2008).

project and its relationship with the EU's present policies for the Mediterranean region. The Mediterranean Union proposed is not intended to replace the procedures of cooperation and dialogue that already link the countries involved, but to supplement them, and to give them an additional momentum. The Rome Declaration made it clear that the Barcelona Process and the ENP will remain central in the partnership between the EU as a whole and its partners of the Mediterranean. In addition, the Mediterranean Union does not intend to interfere in the process of accession already being negotiated by the EU, Croatia and Turkey.

France, Italy and Spain agreed on a new summit to be held on July 13, 2008, in Paris. In the coming months, the Italian government, alongside the other two, will be engaged in preliminary consultations with the countries invited to participate, i.e. Southern-Mediterranean and EU countries. The Paris summit is expected to define the principles and organisation of the Mediterranean Union with the objective of creating an equal footing partnership between all the countries involved. To Minister D'Alema, the value of the proposal lies initially in the strengthening of European policy in the Mediterranean area in a moment when the "barycentre of Europe needs to be shifted southwards".<sup>688</sup> The preference for the Mediterranean region and the need to minimise illegal immigration to Europe had already been expressed by the Prime Minister Romano Prodi.<sup>689</sup>

The relationship with Russia and the strictly interrelated issue of energy security have been the focus of attention in Italian political circles and the media. The government encourages closer cooperation and the start of negotiations on a new partnership agreement with Russia based on the principles of reciprocity and transparency. It understands that strong energy dependency asks for the development of more credible neighbourhood policies towards this country.

<sup>688</sup> Interview with M. D'Alema, "Sardinia will have all the gas it needs", 14 November 2007, La Nuova Sardegna, available at:

[http://www.esteri.it/MAE/EN/Ministero/Ministro/Interviste/2007/11/20071114\\_Dalema\\_SardegnaGAS.htm](http://www.esteri.it/MAE/EN/Ministero/Ministro/Interviste/2007/11/20071114_Dalema_SardegnaGAS.htm) (last access: 04.03.2008).

<sup>689</sup> See Il Messaggero:

[http://rassegna.camera.it/chiosco\\_new/pagweb/immagineFrame.asp?comeFrom=search&currentArticle=F0OAK](http://rassegna.camera.it/chiosco_new/pagweb/immagineFrame.asp?comeFrom=search&currentArticle=F0OAK) (last access: 04.03.2008).

The ENI-Gazprom agreement on the delivery of fuel from Russia to Italy is an evidence of the continuous growth of efforts to create a strong partnership between Rome and Moscow. According to Pierluigi Bersani, Italy's Minister for Economic Development, "the South Stream Project aims at strengthening Europe's energy security [...]. The agreement signed once again testifies to the strength of the strategic partnership between Italy and the Russian Federation that will support the cooperation between the European Union and Russia".<sup>690</sup> However, the expansion of Gazprom into the Italian energy market have stunned public opinion and encountered resistance from regulators. The Italian Antitrust Authority, for instance, has expressed concerns that the dominance of Gazprom will act as a strong disincentive for other players contemplating the Italian market, making the deal disadvantageous from a competition viewpoint.<sup>691</sup>

## European Neighbourhood Policy and Russia

### Latvia\*

#### ENP should be associated with specific attainable goals

In view of its geographic location and history, Latvia is more concerned about the future of its neighbours in Northern, Central and Eastern Europe and the Caucasus, rather than, for example, Northern Africa or the Middle East. This is also reflected by the focal countries of Latvia's development assistance: Belarus, Georgia, Moldova and Ukraine. Fully aware of its limited resources, Latvia wishes to show its commitment to the ENP and the UN Millennium Declaration by sharing its experience in making the transition to democracy and the economic transformations with those countries which are most likely to find this experience useful and relevant.<sup>692</sup>

Latvia believes that participation in the ENP should not be associated with vague and nebulous promises of ever closer relations, but rather with specific, attainable goals.

<sup>690</sup> See: [http://www.eni.it/en\\_IT/media/press-releases/2007/06/Eni\\_and\\_Gazprom\\_sign\\_the\\_agree\\_23\\_06\\_2007.shtml](http://www.eni.it/en_IT/media/press-releases/2007/06/Eni_and_Gazprom_sign_the_agree_23_06_2007.shtml) (last access: 04.03.2008).

<sup>691</sup> See: [http://www.energy-business-review.com/article\\_feature.asp?guid=0BFC09C6-4F3D-4191-8438-AC1B2072DF70](http://www.energy-business-review.com/article_feature.asp?guid=0BFC09C6-4F3D-4191-8438-AC1B2072DF70) (last access: 04.03.2008).

\* **Latvian Institute of International Affairs.**

<sup>692</sup> More detailed information is available from Latvia's Ministry of Foreign Affairs, under development aid: <http://www.mfa.gov.lv/lv/Attistibas-sadarbiba/#5> (last access: 18.03.2008).



Therefore, Riga welcomes the Union's enhanced relations with Ukraine and the start of discussions with Kiev about closer EU-Ukraine trade links.

Latvia's largest and most challenging neighbour is Russia. With the Latvian-Russian border treaty signed and ratified in 2007, the only remaining formality is the exchange of the signed and ratified documents. This is expected to take place when Latvia's president Valdis Zatlers pays a state visit to the Russian Federation, presumably in autumn of 2008. Moscow has issued an invitation, but the date has not yet been set. From past experience, Latvia knows not to expect this cooperative mood in Moscow toward Riga to last indefinitely. Riga's approach to relations with Moscow is pragmatic. Consequently, Latvia is using this opportunity to resolve, one by one, the myriad questions that have accumulated over the years and that require a common solution. At the same time, Latvia supports firmly the idea of common EU guidelines on relations with Russia and would like to see a new partnership and cooperation agreement with the Russian Federation in place as soon as possible. What really counts, however, is not the speed with which the negotiations begin and this accord is drafted and adopted, but the quality of the end product. Before the EU-Russian Federation negotiations actually begin, the issues that caused the delay of the negotiations in the first place should be fully resolved. Furthermore, the Union's member states should iron out their own differences on major topics, such as energy, and consider the potential EU-Russian Federation accord in light of the Lisbon Treaty.

#### *Nordic dimension of ENP and Baltic cooperation*

Compared with other countries, Latvia's relations with the countries around the Baltic Sea are by far the most developed. Latvia plays an active role in Baltic regional organisations and projects and has consistently supported the idea of a Baltic and Nordic dimension to EU policies even before Latvia joining the Union.<sup>693</sup> To illustrate, Latvia's cooperation with the Nordic Council of Ministers (NCM) dates from 1991 and subsequently, the scope of cooperation has expanded and deepened, even if the common

responsibility of the NCM rests with the Nordic countries. Since 2005 Latvia has been a full member of the Nordic Investment Bank.<sup>694</sup>

Latvia's cooperation with its immediate neighbours, Estonia and Lithuania, has long historic roots; it has withstood the test of time despite the policies imposed by the Soviet and Nazi German occupation regimes during and after World War II. The tradition of cooperation gained new impetus in the second half of the 1980's as Estonia, Latvia and Lithuania began to reassert their independence. The Baltic Assembly (BA) is an international organisation, which was established in Tallinn on 8 November 1991. The BA seeks to promote cooperation between the parliaments of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania.<sup>695</sup> The Baltic Council of Ministers (BCM) dates from 13 June 1994 and its aim is to ensure the continuity of cooperation at the executive level of the three states. Decisions are made by consensus. The focus on cooperation is in the following areas: defence, energy, home affairs, transport and communications, and environment.

In 2007 the rotating presidency of the BCM was held by Latvia. Since the foreign policy priority of the Latvian Presidency was the co-operation of the Baltic States in the ENP, a conference on „[The Baltic States and the EU Neighbourhood Policy](#)” was organised in Riga on 23 November 2007 by the Ministry of Foreign Affairs and the Baltic Assembly, with the assistance of the Representation of the European Commission in Latvia. An important goal of the conference was to emphasise the role of the Baltic States in implementing the ENP and to encourage the participants to consider the broad scope of this policy and to share their countries' experience especially with their neighbours to the East, but also with the countries of the Mediterranean<sup>696</sup>.

Since 1 July 2007, Latvia has been presiding over the Council of the Baltic Sea States

<sup>693</sup> More detailed information is available from Latvia's Ministry of Foreign Affairs, under Baltic Sea Region: <http://www.mfa.gov.lv/en/policy/4595/> (last access: 18.03.2008).

<sup>694</sup> More detailed information is available from Latvia's Ministry of Foreign Affairs: <http://www.mfa.gov.lv/en/eu/BalticSeaRegion/NordicStates/> (last access: 18.03.2008).

<sup>695</sup> Baltic Assembly, available at: <http://www.baltasam.org/?CatID=84> (last access: 18.03.2008).

<sup>696</sup> Detailed reports and speeches delivered at the conference are available at: <http://www.baltasam.org/?DocID=704> and <http://www.mfa.gov.lv/en/policy/4595/Presidency-at-BCM2007/Conference/conclusions/> (last access: 18.03.2008).



(CBSS).<sup>697</sup> These duties will end on 30 June 2008, when the rotating presidency will be taken over by Denmark. In line with the CBSS goals for regional cooperation of promoting competitiveness and sustainable developed, the Latvian presidency has focused in particular education, energy, and civil security. Another important task has been to develop proposals for the reform of the CBSS.<sup>698</sup>

#### *Black Sea Synergy / Black Sea cooperation*

Latvia's involvement in the Black Sea and Mediterranean Sea neighbourhood programs tends to be relatively modest, especially in comparison with its dynamic involvement in the activities and projects of the Baltic Sea region. Cooperation with the countries bordering the Black Sea has been continual, if not very intense, for a long time, because many of those countries were also a part of the Soviet Union or belonged to the Warsaw Pact, whereas cooperation with the countries around the Mediterranean, especially those of Southern Europe and Northern Africa was halted by the fall of the Iron Curtain. Since joining the EU Latvia has been increasing its activities with the Balkan countries as well as the countries bordering the Black Sea and those on the southern side of the Mediterranean Sea, as well as with the three, somewhat overlapping regions. Regional activities, however, have consisted mostly of lending support to projects initiated by others. Latvia has participated in various conferences promoting cooperation with all of the countries between the Baltic and the Black Seas.<sup>699</sup>

Diplomatic relations with all of the countries bordering the Black Sea were established or reestablished in 1991, but with Georgia in 1993 and Ukraine in 1992. Latvia participates in

<sup>697</sup> For more information about the CBSS, see: <http://www.cbss.org> (last access: 18.03.2008); about the Latvian presidency – see: <http://www.mfa.gov.lv/lv/cbss/> (last access: 18.03.2008).

<sup>698</sup> More detailed information about the multi-faceted and ambitious activities of the Latvian presidency, see the press release of 5 February 2008 of the Latvian Ministry of Foreign Affairs, available at: <http://www.mfa.gov.lv/lv/Jaunumi/PazinojumiPresei/2008/Februaris/05-5/?print=on> and the mid-term report, available at: [http://www.mfa.gov.lv/data/file/apkopojums\\_lv2\[1\].doc](http://www.mfa.gov.lv/data/file/apkopojums_lv2[1].doc) (last access: 18.03.2008).

<sup>699</sup> Such conferences started in the 1990s and were sponsored by various organisations, including the OSCE. President Vaira Vīķe Freiberga delivered a speech at the conference devoted to cooperation among the countries between the Baltic and the Black Seas which took place in Yalta on 10 September 1999; see: <http://www.mfa.gov.lv/lv/Jaunumi/Runas/1999/sep/2635/> (last access: 18.03.2008).

various EU initiatives toward the Black Sea region, as well as those of other organisations. To illustrate, Latvian State Secretary of Defence Edgars Rinkevics spoke at the inaugural conference in Bucharest of the German Marshall Fund Black Sea Trust on 23 and 24 October 2007 and on 3 December 2007 Latvia's Ambassador to the United States, Andrejs Pildegovics, delivered a speech offering his country's practical assistance for the Trust's projects.<sup>700</sup> As noted above, Latvia held an international conference in Riga on 23 November 2008 devoted to "The Baltic States and the EU Neighbourhood Policy"; several speakers addressed the theme of Black Sea Synergy.<sup>701</sup> On 16 January 2008, in their joint statement on the occasion tenth anniversary of the US-Baltic Charter the presidents of Estonia, Latvia and Lithuania, expressed the hope that "the Charter may serve as a blueprint for a U.S.-Black Sea partnership and possibly other regional partnerships to accomplish our shared vision of Europe whole and free."<sup>702</sup> Thus, Latvia has demonstrated its will to do more in this region.

Concrete results of this show of good will surely follow in the near future, especially at the bilateral level. Furthermore, specific assistance projects are already being carried out in Georgia and Ukraine.

#### *Potential impact of Sarkozy's project "Mediterranean Union" on ENP*

Concerning French President Sarkozy's proposed "Mediterranean Union", Latvia has assumed the role of a sympathetic observer and as such has taken part in various EU-sponsored Euro-Med conferences and activities of the Barcelona process even before becoming a full-fledged member of the Union.<sup>703</sup>

<sup>700</sup> See the press release of the Ministry of Foreign Affairs, 19 October 2007, at: [www.mod.gov.lv](http://www.mod.gov.lv); for the speech (in English) of the Latvian Ambassador, see: <http://www.mfa.gov.lv/en/news/speeches/2007/December/03-1/?print=on> (last access: 18.03.2008).

<sup>701</sup> For the conclusions of the conference, see: <http://www.mfa.gov.lv/en/policy/4595/Presidency-at-BCM2007/Conference/conclusions/> (last access: 18.03.2008).

<sup>702</sup> BNS report from Tallinn, 16 January 2008.

<sup>703</sup> See, for example, the press releases of the Ministry of Foreign Affairs of 3 December 2003 and 6 November 2007, at: <http://www.mfa.gov.lv/en/news/press-releases/> (last access: 18.03.2008).

*Biggest challenges from ENP regions – East and South (immigration, security, energy, etc)*

Currently Latvia does not consider the different ENP regions as presenting it with particular challenges. The challenges – in terms of immigration, security, and energy, et al. – come and will continue to come primarily via and from Latvia's non-EU next-door neighbours: the Russian Federation and, to a much smaller degree, from Belarus; both countries are only indirectly or marginally involved with the ENP. Latvia, however, associates these specific challenges in the context of the Schengen zone, which Latvia joined in December 2007. With the assistance of the EU, Latvia is improving its border security, customs inspections and the efficiency of the border-crossing mechanisms. Nonetheless, the volume of trucks carrying goods from the West to Russia and from Russia to the West is too large for the current border control stations to process carefully and efficiently. The solution to the problems lies in opening up new border and customs inspection stations by both Latvia and Russia simultaneously; so far Russia has not been willing to deal with these issues. Positive movement is likely with prodding from EU officials and once the Latvian and Russian presidents exchange the Latvian-Russian border treaty documents, scheduled for the second half of 2008. Despite these hardships, the fight against economic crimes at the border must be intensified. Up to now there have not been any waves of human trafficking or massive immigration from the East. This is due to the fact Latvia is not considered a destination of choice for immigrants from Africa or Asia, but simply a transit point on the way to Scandinavia. This situation could change as immigrants realise that Latvia is a part of the Schengen zone and use the Latvian eastern border as the gateway to the more prosperous EU countries. Here it is extremely important to have firm readmission agreements with Russia and Belarus. The situation will become much more complicated in case Russia achieves its goal of visa-free entry to the Union for Russian citizens. In preparation for these potential challenges, Latvia is learning from the experiences of other EU member states by participating in joint seminars, such as the one planned for 4/5 March 2008 in Riga, where Dutch and Swedish experts will participate.

*Probable impact of new provisions of Lisbon Treaty on external relations and ENP*

In early 2008 public discussions are just being organised on various aspects of the Lisbon Treaty and Latvia. Consequently, there have not emerged any widely held or attention-attracting views of the likely impact of the treaty on the ENP.

European Neighbourhood Policy and Russia  
Lithuania\*

Strengthening Eastern dimension – no rush to sign new agreement with Russia

A discussion about the European neighbourhood policy in Lithuania is concentrated around the topic of strengthening the Eastern dimension of this policy. The other aspects of the European neighbourhood policy are barely touched.

*Lithuania urges the EU to pay more attention to the Eastern neighbourhood*

European neighbourhood policy is a very important EU policy to Lithuania, which allows Lithuania to use its experience of the cooperation with the EU Eastern neighbours. Because of its geographic location and historic experience the most important region to Lithuania in the framework of the ENP are the countries of Eastern Europe.

Lithuania constantly urges the EU to pay more attention to the EU Eastern neighbourhood. For example, Lithuanian President Valdas Adamkus speaking in a conference on the ENP stressed the necessity to deepen the relations with the Eastern neighbours by saying that "European neighbourhood policy is a useful instrument to solve the matters of practical cooperation. However, we also have to start deliberating how to create a specific cooperation in the Eastern neighbourhood of the EU". He also claimed that the EU political energy could not be concentrated only in the EU Southern neighbourhood<sup>704</sup>.

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<sup>704</sup> Lietuvos Respublikos Prezidentas: Europos Sąjunga turi išlaikyti vienodą politikos pagreitį ir Pietų, ir Rytų kaimynystėje (President of the Republic of Lithuania: European Union has to keep the same policy acceleration both in Southern, and Eastern neighbourhood), press release of the President institution, December 14, 2007, <http://www.president.lt/lt/news.full/8634>.

### *Concrete measures to enhance European neighbourhood policy*

Lithuanian Foreign Affairs Minister Petras Vaitiekūnas distinguished the most important fields in which the European Union should submit concrete proposals with regard to ENP – giving autonomous trade preferences to Moldova and drafting the free trade agreement with Georgia. The Minister also emphasized that it is essential to promote the free trade further and consistently incorporate the ENP countries into the EU internal market<sup>705</sup>.

The secretary of the Ministry of Foreign Affairs Žygimantas Pavilionis encouraged to evaluate the attempts of Moldova in executing the EU Action plan and urged to send the country a positive signal. He said, “the implementation of reforms will be useful both for Moldova and the EU, therefore we should begin negotiations on drafting a new treaty of enhanced cooperation between the EU and Moldova”<sup>706</sup>.

### *A positive evaluation of the Ukrainian progress*

Lithuanian Foreign Affairs Minister Petras Vaitiekūnas has positively evaluated the progress made by Ukraine. He said “we have to send a strong signal to Ukraine, to its society, that Ukraine makes a part of Europe, and its approach to Europe is possible by making consistent and decisive reforms”<sup>707</sup>.

The secretary of the Ministry of Foreign Affairs Žygimantas Pavilionis urged to speed the EU negotiations with Ukraine upon the new treaty, which would open the possibilities for Lithuania and other EU member states to develop free trade with Ukraine<sup>708</sup>.

<sup>705</sup> Lietuva drąsina rytų kaimynės pakartoti “Vilniaus dešimtuko” sėkmę (Lithuania urges Eastern neighbours to repeat the success of “Vilnius Ten”), September 3, 2007, press release of the Ministry of Foreign Affairs, <http://www.urm.lt/index.php?613001762>.

<sup>706</sup> Politinė Europos Sąjungos energija negali būti koncentruojama tik pietinėje ES kaimynystėje (Political energy of the European Union can not be concentrated only in the southern EU neighbourhood), press release of the Ministry of Foreign Affairs, December 10, 2007, <http://www.urm.lt/index.php?861277808>.

<sup>707</sup> Lietuvos užsienio reikalų ministras Briuselyje kvietė remti pažangias reformas ES Rytų kaimynystėje (Lithuanian Foreign Affairs Minister encouraged in Brussels to support progressive reforms in the EU Eastern neighbourhood), press release of Ministry of Foreign Affairs, July 23, 2007, <http://www.urm.lt/index.php?-2059158111>.

<sup>708</sup> Lietuva ragina ES daugiau dėmesio skirti Rytų kaimynystei (Lithuania urges to pay more attention to the Eastern neighbourhood), news agency Baltic News Service, December 11, 2007,

### *Good EU-Russian relations are important to Lithuania*

As Lithuanian Foreign Affairs Minister Petras Vaitiekūnas asserts, cooperation with Russia is very important to Lithuania. According to the Minister, if the strategic partnership with Russia is important to the European Union, then this partnership is even more important for the EU member states – Russian neighbours. As the Minister explained, “we are the first who win or suffer when the character of EU-Russian relations is changing”<sup>709</sup>. Lithuania also holds a position, that it is essential for the EU to speak in one voice with Russia – this is the only way to achieve the solution of the issues challenging the EU-Russian cooperation and to foster the development of the more efficient, reciprocal cooperation<sup>710</sup>.

### *The EU-Russian strategic partnership is hardly working*

On the other hand, the Minister noted that in many high level meetings of the EU and Russian officials we often hear declarations about the importance of the development of the strategic partnership. However, in his view, this strategic partnership is hardly working. That leads to a conclusion that the current attempts to build a real EU-Russian partnership do not bring results. Therefore we have to look for other ways and one of them can be the intensification of the cooperation in a lower level and the intensification of the practical cooperation<sup>711</sup>.

### *There should be no rush to sign a new cooperation agreement with Russia*

What concerns the negotiations on the new partnership agreement with Russia, Lithuanian Prime Minister Gediminas Kirkilas claimed that while negotiating upon the new agreement, certain protectors should be fixed in this agreement so that the states have not only to declare the respect of the democratic values, but also clearly demonstrate the practical

<http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2218/>.

<sup>709</sup> The speech of Lithuanian Foreign Affairs minister Petras Vaitiekūnas delivered during the conference “EU-Russian relations”, July 5, 2007, Lithuanian Parliament, <http://www.urm.lt/index.php?1273599839>.

<sup>710</sup> Ibid.

<sup>711</sup> The speech of Lithuanian Foreign Affairs Minister Petras Vaitiekūnas delivered during the conference “EU-Russian relations”, July 5, 2007, Lithuanian Parliament, <http://www.urm.lt/index.php?1273599839>.

implementation of those values. The Prime Minister enumerated three points to be considered during the negotiations. First of all, we have to agree clearly upon guaranteeing the energetic security. The second important task of the EU-Russian cooperation is the solution of the frozen conflicts in the area of Commonwealth of Independent States (CIS). Third, the new agreement should include provisions concerning the regional cooperation between the EU and Russia – it is essential that this agreement would allow both sides to cooperate while solving the issue of the socio-economic development of the Kaliningrad region<sup>712</sup>.

Lithuania has joined those who are against the negotiations after Russia has terminated the supply of oil by pipeline to "Mažeikių nafta" ("Mažeikiai oil"). Lithuania also wants to press Russia that it would open the segment of the pipeline "Družba" by which the oil was supplied to Lithuania. The official reasons indicated for closing the segment of the pipeline was the breakdown of the pipeline. However, Lithuania claimed that it were political reasons which determined the closure of the pipeline – namely the selling of the plant of "Mažeikių nafta" to the Polish enterprise "PKN Orlen" and not to the Russian enterprises<sup>713</sup>.

The unnamed diplomats inform that Lithuania can continue to veto the EU-Russian negotiations until March, when the presidential elections will be held in Russia. It is said, that Lithuania will wait and observe what will be the situation in Russia after the elections. Asked if Vilnius would continue its veto if Warsaw withdraws its objections, Lithuanian President Valdas Adamkus said "if Poland decides that it is best for them (to withdraw the veto), we will support them"<sup>714</sup>.

Recently speaking in a discussion "Russia and its neighbours" at the World economic forum the Lithuanian President said that Russia, who is unable to execute the previous agreements (one of such examples mentioned by the

President was the Energy charter) cannot insistently require to draft the new agreements<sup>715</sup>. He claimed that we could not adopt the agreements, which would eliminate the previous common obligations. "Therefore I would say that it is better not to rush to sign a new EU- Russian partnership and cooperation treaty. I suppose that the relations of the international society with Russia should correspond to the preparation of Russia to undertake the obligations for this society" – asserted the President<sup>716</sup>.

## European Neighbourhood Policy and Russia

### Luxembourg\*

#### Good bilateral relations with Ukraine and Russia

In September 2007, the Luxembourg and Ukrainian foreign ministers had a meeting in New York while both attended the UN general assembly. The parties stated their satisfaction as to bilateral cooperation. The Ukrainian minister praised Luxembourg business for active contacts with Ukraine, noting some 56 Ukrainian companies working with Luxembourg investments. However, the parties spoke up for even further investments and economic trade relations. The Commission's point of view is that the new "enhanced agreement" with Ukraine will reflect the strategic importance of developing EU-Ukraine relations: The main aim is to attract Ukraine closer to the EU, enhance political cooperation, increase trade and investment and thus contribute to the economic development and prosperity of Ukraine. Negotiations will open new prospects for EU-Ukraine relations, including a Free Trade Area and a profounder partnership on energy<sup>717</sup>. Luxembourg has no reason to disagree with the Commission's position.

In October 2007, the Benelux and Baltic States' representatives met in Riga, regular annual meetings will take place in the future.

<sup>712</sup> The speech of the Prime Minister Gediminas Kirkilas during the conference "EU-Russian relations", July 5, 2007, Lithuanian Parliament, [http://www.lrvk.lt/main.php?id=aktualijos\\_su\\_video/p.php&n=4938](http://www.lrvk.lt/main.php?id=aktualijos_su_video/p.php&n=4938).

<sup>713</sup> Lietuva ir Lenkija gali vetuoti ES derybas su Maskva iki Rusijos prezidento rinkimų kovą (Lithuania and Poland might veto the EU negotiations with Moscow until the presidential elections in Russia in March), news agencies "Reuters" and BNS, December 17, 2007, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2273/>.

<sup>714</sup> Ibid.

<sup>715</sup> The speech of the Lithuanian President Valdas Adamkus delivered during the discussion "Russia and its neighbours" at the World economic forum on January 26, 2008, <http://www.president.lt/lt/news.full/8724>.

<sup>716</sup> The speech of the Lithuanian President Valdas Adamkus delivered during the discussion "Russia and its neighbours" at the World economic forum on January 26, 2008, <http://www.president.lt/lt/news.full/8724>.

\* Centre d'Etudes et de Recherches Européennes Robert Schuman.

<sup>717</sup> European Commission, Press release, Reference: IP/07/275, 02.03.2007.



Luxembourg is currently chairing the Benelux group. Luxembourg Foreign Minister Asselborn believes that the Baltic States can profit from a 50-year Benelux experience<sup>718</sup>. European neighbourhood policy (ENP) was one of the main topics of the meeting. Both sides expressed their own sensibilities, largely deriving from their geographical position and their own history. There was an overall agreement that an equilibrium has to be maintained between the Southern and the Eastern flanks of the EU. The ENP has to take account of security questions, as well as of energy supply and environmental aspects. Benelux insisted on maintaining a clear distinction between ENP and enlargement policy. The Baltic side, for its part, insisted on the necessity to send clear messages to certain states on the EU oriental front, starting with offers of free trade and visa. EU-Russian relations were on the agenda of the meeting, too. The necessity of solidarity among EU members in this context was clearly underscored. Minister Asselborn insisted that the European Union must speak with one single voice on security issues in this region.

When President Putin visited Luxembourg in May 2007, the Russian-EU relations were undergoing bilateral discussions. According to Jean-Claude Juncker, these relations are good, but could even be better. There might have been some discordances concerning human rights issues and other international subjects, but there were many common grounds to work on. Luxembourg supports Russia's demand to become an OECD member. According to Jean-Claude Juncker, Russian- Luxembourg relations, "are good and will remain good"<sup>719</sup>. Cooperation agreements are signed between Russian banks and the Luxembourg bankers' association. Moreover, the main Luxembourg gas company Soteg and Gazprom have signed a partnership agreement.

The Luxembourg non-communist press generally disagrees with President Putin's views of "democracy". The conservative *Luxemburger Wort*, the socialist *Tageblatt* and the liberal *Journal* are unanimously condemning the Russian government's human

rights violations<sup>720</sup>. Only the communist daily's editorialist regrets the demise of the "peace-loving Soviet Union" and calls upon the EU to pressurize its NATO allies USA, Poland and the Czech Republic to renounce to the proposed anti-missile defence system. According to him, this pressure is the only way to prevent a new armament race<sup>721</sup>.

As Minister of Foreign Affairs Jean Asselborn fully supports the Commission's proposal on EU-Russian relations, he is very laconic on this subject in his foreign policy declaration<sup>722</sup>.

## European Neighbourhood Policy and Russia

### Malta\*

#### Promoting Mediterranean issues in the EU

Promoting Mediterranean issues in the EU continues to be a foreign policy priority of Malta. It continues to be an active proponent of the Euro-Mediterranean Partnership and the European Neighbourhood Policy with a focus on supporting initiatives to advance the illegal migration debate, policies seeking to reduce gender equality disparities, and initiatives to establish a Mediterranean development bank.

Malta has consistently been championing closer relations between the EU and the League of Arab States and a first summit of its kind between the EU 27 and the Arab League 22 is scheduled to take place in Malta during the first few weeks of 2008.

At a bilateral level Malta has been fostering ever closer relations with Algeria, Tunisia, Libya, and Egypt and also supporting the peace process between Israel and the Palestinians.

Malta is supportive of the new enhanced agreement with Ukraine and also in favour of closer relations with Russia and the further development of the EU's Nordic dimension and Black Sea cooperation.

Malta is also supportive of the proposal put forward by French President Nicolas Sarkozy

<sup>718</sup> «Jean Asselborn à la réunion Benelux - États baltes à Riga», 03.10.2007, available at: [www.gouvernement.lu](http://www.gouvernement.lu) (last access: 04.03.2008).

<sup>719</sup> «Visite officielle du président de la Fédération de Russie à Luxembourg», 24.5.2007, available at: [www.gouvernement.lu](http://www.gouvernement.lu) (last access: 04.03.2008).

<sup>720</sup> Wolf von Leipzig: «Demontage», *Luxemburger Wort*, 28.1.2008.

<sup>721</sup> Uli Brockmeyer: «Bedrohungslüge neu aufgewärmt», *Zeitung vum letzebuerger Vollek*, 16.10.2007.

<sup>722</sup> Jean Asselborn: «Déclaration de politique étrangère 2007», *Chambre des députés*.

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to create a Mediterranean Union as it believes this will complement the EU's EMP and ENP. In order to be successful Malta believes that the Mediterranean Union must be more than simply an economic undertaking but that it also includes a political dimension that seeks to foster closer relations between the riparian states of the Mediterranean basin.

The major challenge that Malta is concerned about from ENP regions is that of illegal immigration primarily from the South. The introduction of Schengen in Malta in December 2007 has raised fears of a freer flow of people with the dismantling of border controls with other EU states. It remains to be seen whether enhanced monitoring of mobility of persons as a result of Schengen and the envisaged more comprehensive FRONTEX missions scheduled to take place in the central Mediterranean in 2008 will dispel such concerns.

It is hoped that agreement on the new provisions of the Lisbon Treaty will result in a more effective decision-making process when it comes to EU external relations and thus more rapid action being taken when crisis situations emerge.

#### European Neighbourhood Policy and Russia

#### Netherlands\*

#### ENP – 'membership neutral'

Key ENP countries for the Netherlands are Algeria, Armenia, Belarus, Georgia, Jordan, Lebanon, Moldova, Morocco, Syria, Tunisia, and Ukraine. In these countries the Netherlands makes an active contribution to promoting security, cooperation, prosperity, and democracy via its own policy instruments like the Matra Social Transformation Programme<sup>723</sup> and the Ministry of Economic Affairs' PSOM initiative.<sup>724</sup> The Dutch government promotes peace and open borders

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#### \* Netherlands Institute of International Relations 'Clingendael'.

<sup>723</sup> See: [http://www.minbuza.nl/en/themes/european-cooperation/the\\_matra\\_programme\\_file](http://www.minbuza.nl/en/themes/european-cooperation/the_matra_programme_file) (last access: 21.01.2008).

<sup>724</sup> Programme for Cooperation with Emerging Markets (PSOM: Programma Samenwerking Opkomende Markten), source:

[http://www.evd.nl/home/financiering\\_projecten/financiering\\_programma\\_psm.asp?land=psm#](http://www.evd.nl/home/financiering_projecten/financiering_programma_psm.asp?land=psm#) (last access: 21.01.2008).

in the Israeli-Palestinian conflict as an EU member state as well as on a bilateral basis.<sup>725</sup>

There is no separate (from the EU) position of the Dutch government on the "enhanced agreement" with Ukraine. The Netherlands shares the EU position and supports the ENP instruments to promote and strengthen democracy, stability, security, and prosperity in the EU neighbouring countries. The Netherlands sees ENP as an effective instrument to make EU neighbours into strategic partners of the EU and to support the process of democratisation and market economic reform in those countries. ENP is, in the view of the Dutch government, not meant to prepare the Eastern ENP-countries for EU membership. It is 'membership neutral'. There is though some discussion on alternative forms of membership (i.e. privileged partnership, idea of "partenariat"<sup>726</sup>).

The Netherlands is one of the biggest trading partners of and investors in Russia. During his visit to Moscow in November 2007 Dutch Prime Minister J.P. Balkenende underlined the importance of starting negotiations on the elaboration of a new Partnership and Cooperation Agreement between the EU and Russia. He characterised the Netherlands as a "critical, constructive and relevant partner for Russia".<sup>727</sup> The Dutch government supports the idea of "constructive-critical engagement with Russia".<sup>728</sup>

The Netherlands has an observer status in such regional organisations as the Council of Baltic Sea states, the Barents Euro-Arctic Council, and the Arctic Council which gives it an opportunity to be present in the region but not actively influence its developments.

Black Sea cooperation falls outside the geographical priorities of the Netherlands.

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<sup>725</sup> See: <http://www.minbuza.nl/binaries/en-pdf/prinsjesdag/policy-agenda-2008.pdf> (last access: 21.01.2008).

<sup>726</sup> See: <http://www.minbuza.nl/binaries/en-pdf/staat-van-de-eu--engelstalig-/state-of-the-union-2008.pdf> (last access: 21.01.2008).

<sup>727</sup> Brief van de Minister President aan de voorzitter van de Tweede Kamer der Staten-Generaal, 13 November 2007, source: [http://rijksbegroting.minfin.nl/rijksbegroting\\_sites/objects/1/c/32k/df229202a01372247bcdfa43d9f18/kst112212.pdf](http://rijksbegroting.minfin.nl/rijksbegroting_sites/objects/1/c/32k/df229202a01372247bcdfa43d9f18/kst112212.pdf) (last access: 21.01.2008).

<sup>728</sup> Staat van de Europese Unie 2007-2008 Nr. 1, brief van de Minister van Buitenlandse Zaken en de Staatssecretaris voor Europese Zaken aan de voorzitter van de Tweede Kamer der Staten-Generaal, 18 September 2007, source: [http://www.tweedekamer.nl/images/31202%201\\_tcm118-145309.pdf](http://www.tweedekamer.nl/images/31202%201_tcm118-145309.pdf) (last access: 21.01.2008).

With regard to Sarkozy's plan of a "Mediterranean Union (MU)" the Dutch government is not very outspoken. It says that it "will see if common ground can be found with ideas on new forms of partnership".<sup>729</sup> A MU should also fit into the overall concept of ENP and should in terms of EU partners not be restricted to a limited number of EU member states. The Dutch position in respect to the Euromed cooperation is in general supportive.<sup>730</sup>

The Netherlands sees in EU neighbours potentially important trading partners while the EU is their main export market and primary investor. The Netherlands is interested in having secure, stable, and trustful neighbours of the Union. Moreover, EU energy dependency makes it crucial to develop stable relations not only with direct energy-exporting countries (like Russia) but also with the countries involved in energy transportation.<sup>731</sup> Immigration is a sensitive issue for the Netherlands (101,000 immigrants in 2006<sup>732</sup>). Dutch immigration policy became one of the most strict in the EU over the recent years. Under the previous Dutch government a new immigration law was passed according to which new migrants and migrants who live not more than 8 years in the country have to pass a "civic-integration examination" ("inburgeringsexamen") in order to get a residence permit. Though this law aims at integration of immigrants into Dutch society, one Dutch analyst has noticed that "it's more a measure of controlling immigration than of promoting integration".<sup>733</sup> Moreover, taking into account the fact that EU citizens and those of the EEA<sup>734</sup> states, Switzerland, US, Canada, Japan, New Zealand and Australia<sup>735</sup> are

<sup>729</sup> See: <http://www.minbuza.nl/binaries/en-pdf/staat-van-de-eu--engelstalig/state-of-the-union-2008.pdf> (last access: 21.01.2008).

<sup>730</sup> See: <http://www.minbuza.nl/en/news/newsflashes.2007/11/Timmermans-pleased-with-Euromed-enlargement.html> (last access: 21.01.2008).

<sup>731</sup> *De nieuwe oostelijke buurlanden van de Europese Unie*, advice paper of the Advisory Council of International Affairs, source: [http://www.aiv-advies.nl/ContentSuite/template/aiv/adv/collection\\_single.asp?id=1942&adv\\_id=299&language=NL](http://www.aiv-advies.nl/ContentSuite/template/aiv/adv/collection_single.asp?id=1942&adv_id=299&language=NL) (last access: 21.01.2008).

<sup>732</sup> Statistisch Jaarboek 2007, Centraal Bureau voor de Statistiek, p. 38.

<sup>733</sup> See: <http://www.rferl.org/featuresarticle/2006/04/2752a95e-e5f6-4886-a65c-75618628a283.html> (last access: 21.01.2008).

<sup>734</sup> In addition to the EU states the European Economic Area (EEA) includes Iceland, Norway, and Liechtenstein.

<sup>735</sup> See: <http://www.handreikinginburgeringgemeenten.nl/upload/do>

exempted from passing this exam, one might be tempted to conclude that this law aims at regulation of immigration from a selective group of specific regions (including ENP countries). The Dutch government supports also European involvement in security and migration policy.<sup>736</sup>

## European Neighbourhood Policy and Russia

### Poland\*

#### Priorities: Developing good relations with Russia and Ukraine

Although during the last six months internal matters visibly dominated the Polish political scene, with regard to key issues at the European and international arena some clear priorities – mainly dealing with the long lasting strategic objectives of Poland – could be noticed. First of all, Poland is vitally interested in developing good relations with Russia through two channels: via the EU and through bilateral relations. During the recent year, Poland was strongly affected by the deterioration of these relations to a greater extent than any other member state, especially more distant from Russia. But this interest is subject to certain conditions. According to the previous government guidelines, presented as well by the President, Lech Kaczynski, Russia should follow certain principles, while treating its EU partners on equal terms and according to commonly agreed rules<sup>737</sup>. Russia imposed a ban on Polish meat and plant products after it discovered that some meat was imported to Russia from non-EU countries with falsified Polish documents. In Poland, this decision was largely perceived as unjustified and based on Russia's intent to use such disputes to split the EU.

The new government started to work on the improvement of the bilateral Polish-Russian relations, what was formulated as a strong political priority by Prime Minister Donald Tusk in his expose<sup>738</sup>.

[documenten/D0166.%20QA%20Wet%20Inburgering%20Buit-enland%20070206.doc](http://www.minbuza.nl/binaries/en-pdf/prinsjesdag/policy-agenda-2008.pdf) (last access: 21.01.2008).

<sup>736</sup> See: <http://www.minbuza.nl/binaries/en-pdf/prinsjesdag/policy-agenda-2008.pdf> (last access: 21.01.2008).

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<sup>737</sup> Address by President of the Republic of Poland Lech Kaczynski at the meeting with Polish-speaking ambassadors, November 30, 2007.

<sup>738</sup> Policy speech delivered by Prime Minister of the Republic of Poland Donald Tusk, Warsaw, November 23, 2007.

The Prime Minister also declared that Poland decided to lift its blockade of the start of talks on OECD membership by Russia, Estonia, Slovenia, Israel and Chile. Donald Tusk hoped that this gesture would bring an improvement in Polish-Russian relations: „This is certainly a step in the right direction as far as detente in relations with the Russian Federation is concerned; it is also a decision that has been awaited by the international community”<sup>739</sup>.

He voiced the hope that the meeting between Polish and Russian foreign ministers scheduled for early December 2007 would result in more animated contacts between the two countries and bring closer the date of Tusk’s visit in Moscow. He reiterated his earlier pledge that on the issue of the anti-missile shield Poland wanted to get the views not only of NATO states, but also its neighbours, by saying: „We will try to dispel Russia’s fears connected with the project”<sup>740</sup>.

Among the ENP countries Ukraine remains Poland’s key priority. As regards the evaluation of Polish-Ukrainian relations, there are no difference between the Prime Minister and the President. The short presentation of the long term political vision of these relations can be perceived through the President Lech Kaczynski statement presented on the 6<sup>th</sup> of December, 2007, during the press conference, which took place after the meeting with the President of Ukraine Viktor Yushchenko, and the official signature of the joint Polish-Ukrainian declaration: “Modern Challenges – New Dimensions of Strategic Partnership”. “We have addressed many problems – from problems relating to Polish-Ukrainian university to the most strategic problems as regards our relations, and also economic problems connected for instance with our cooperation as transit countries. This is very important. I think that what has been developing between Ukraine and Poland in recent years is a model of relations between two nations, on the one hand closely related, on the other seeking to find themselves within the same communities. I would like to stress again that Poland strongly supports Ukrainian road to NATO. We believe that it is fully justified. Obviously this decision depends on the Ukrainian nation, the same is true for the EU. (...). We are convinced that Ukraine will be a EU and NATO member and

this is essence of our alliance, but it is not so yet. We want to show that our relations are very close and we can in a straight way, jointly resolve problems in the future, we can also speak about the past, to honor it calmly, calmly respect heroes of the two sides since our relations, our history was not easy. But we are an example that this is not an obstacle, that all problems can be resolved as they come.”<sup>741</sup>

During the last months, Poland officially declared her profound interest in the development of democracy in Georgia, in the stabilization of the situation in that country and in forging possibly closest relations between the two partners. This intent was clearly expressed by President Lech Kaczynski in November 2007 during his official visit to Georgia: “These relations are underpinned not only with the sense of affinity between our two nations, nor merely with numerous family connections – as during the times of partitions in Poland, Tbilisi and other Georgian cities witnessed a lot of Polish citizens coming and going, and some of them made their home here – but they are also connected with intentional and consistent policy pursued by Poland especially in the last two years. That policy consists in developing possibly closest relations with the countries south east of Poland. This refers to Ukraine but also to Georgia, Azerbaijan and perhaps also other states in the long-term perspective. This is a policy which we would never want to change and its central part consists in providing support to European aspirations of these countries, i.e. aspirations to join NATO in the first place, and in a certain time perspective also to secure membership of the European Union. This is also the point of view we adopt when looking at the problems which Georgia is facing.”<sup>742</sup>

Although until now Poland did not visibly appear as a country of the region which is very interested in developing the European Neighbourhood Policy, one could expect that if the EU is to have a real energy policy and diversify its access to energy sources strengthened cooperation in the Black Sea Region will become fundamental.

<sup>739</sup> Statement by Prime Minister of the Republic of Poland Donald Tusk on pay rises for teachers and lifting blockade of talks on Russia’s OECD membership, November 27, 2007.

<sup>740</sup> As above.

<sup>741</sup> The official signing ceremony was held on the 6<sup>th</sup> of December 2007 in Kyiv within the framework of a two-day official visit by the Polish President to Ukraine.

<sup>742</sup> Address by President of the Republic of Poland Lech Kaczynski during his visit to Georgia, November 22, 2007.

## European Neighbourhood Policy and Russia

### Portugal\*

#### Importance of Mediterranean dimension

The Mediterranean countries, and in particular some in the Maghreb – Morocco, Tunisia, Algeria – are the key Portuguese concern terms of the ENP. They are geographically closer to Portugal than many European countries and there are strong economic links in terms of trade and investment. Supplies of Algerian natural gas are particularly significant in this respect. Portuguese diplomacy and commentators are therefore in favour of all that might mean increased Euro-Med cooperation in the context of the ENP and in any other context providing stability and development to its Southern neighbours.

This was clear in the fact that relations with the Mediterranean were one of the three top priorities of the Portuguese Presidency as well as in the Portuguese commitment to EU-Med summit of November 2007.<sup>743</sup> Implicit is the Portuguese concern and the determination to avoid that the transferral of the main field of cooperation from the Euro-Mediterranean Partnership to the ENP will result in any loss of importance of the Southern neighbours relative to the Eastern ones.<sup>744</sup>

The importance of this Mediterranean dimension is shared by officials and opinion makers. It partly explains why Portuguese decision-makers publicly have always sounded positive and open regarding the French proposal of a Mediterranean Union. Not only is there common ground with Paris in the effort to make the EU more active in the Mediterranean, if not in the desire to exclude Turkey from membership. But also the new French president, Nicholas Sarkozy has made a number of gestures toward the Portuguese Prime Minister, inviting him for Bastille Day and praising his reform policies publicly. Last but not least, Portugal is the only non-riverain state to be included by Sarkozy from the start in the French list of European participants in the Mediterranean Union. This certainly made any

outright official rejection by Portugal of the proposal even more difficult, namely Foreign Minister Amado argued that "we must have a strong policy" because this is "absolutely indispensable for peace in the region".<sup>745</sup>

In private, however, some officials expressed serious doubts regarding both what was really at stake with the French Mediterranean Union, and what will be the added value of the French initiative. It now seems vindicated in the notion, which prevailed in the Lisbon Euro-Med Summit of November 2006, it will supplement not replace the EMP or the ENP and will consist of a number of cooperation projects.<sup>746</sup>

While EU relations with the Black Sea and the Nordic countries have no visible impact, more recently due to the importance of immigration from Ukraine and Moldova, there has been some added interest in EU cooperation with those countries. The Portuguese Prime-Minister made a point of showing its commitment to stronger relations between the Ukraine and the EU, as well as making a point of praising the positive contribution of Ukrainian workers for the Portuguese economy.<sup>747</sup>

The EU-Russia summit, in Mafra, during the Portuguese Presidency, as well as the growing tensions between some European leaders and President Putin made Portuguese public opinion and commentators more aware of the importance of this troubled relationship. Portuguese officials tried to lower tensions with Russia while being very aware that this would be very difficult, not least by advocating that any criticism of the Russian government should be done in private meetings. Commentators tended to insist both on the importance and the difficulty of reaching a common European position of strength vis-à-vis Moscow.<sup>748</sup>

The debate on the Treaty in Portugal has focused much more on some key internal matters – namely those linked with ratification

\* Institute for Strategic and International Studies.

<sup>743</sup> José Sócrates [Portuguese Prime Minister],

'Apresentação do Programa da Presidência Portuguesa da UE' (11.07.2007) in:

[http://www.portugal.gov.pt/Portal/PT/Primeiro\\_Ministro/Intervencoes/20070711\\_PM\\_Int\\_PPUE\\_PE.htm](http://www.portugal.gov.pt/Portal/PT/Primeiro_Ministro/Intervencoes/20070711_PM_Int_PPUE_PE.htm) (14.08.2007).

<sup>744</sup> Agreed Conclusions of the 9th Euro-Mediterranean Ministerial Meeting, Lisbon (5-6.11.2007), in:

<http://www.euromed-seminars.org/mt/archive/ministerial/ix-Lisbon-ReuniaoEuromedMNES.pdf>.

<sup>745</sup> 'Luís Amado é favorável à proposta de Sarkozy, mas a UE tem dúvidas', Lusa Press Release (05.11.2007).

<sup>746</sup> Teresa de Sousa, 'França Defende a União do Mediterrâneo em Oposição ao Processo de Barcelona da UE', *Público* (04.10.2007).

<sup>747</sup> 'UE pronta a apoiar estabilização democrática na Ucrânia', *Diário Digital* (14.09.2007).

<sup>748</sup> 'A visita do czar', *Público* (25.10.2007); António Reis Rodrigues, 'Rússia Pós-Putin', *Defesa e Relações Internacionais* (04.10.2007); Teresa de Sousa, 'O Ocidente ainda não tem resposta para uma Rússia não democrática', *Público* (03.12.2007); Miguel Monjardino, 'As fontes da conduta russa', *Expresso* (29.10.2007).

and the democratic legitimization of the Union – and less so on its implications for the ENP. In so far as external aspects have been considered, however, it has been relatively consensual that it at least aims to reinforce the foreign policy actorness of the Union, whether that will happen or not is the object of greater disputes.

#### European Neighbourhood Policy and Russia

#### Romania\*

#### Complex relations with Moldova and Ukraine – importance of Mediterranean region

##### *Key regions/countries for ENP: Moldova*

It is beyond any doubt that, among the countries currently included in the ENP, Romania singles out the Republic of Moldova for special attention. In all official foreign policy statements, Romania professes its unabated support for Moldova's accession to the European Union, i.e., in more concrete terms, for its inclusion in the Western Balkans policy of the Union.

To the objection that these statements are meant just for domestic audiences one can oppose the fact that the same position is constantly being expressed by Romanian officials in various international contexts. Thus, in his first speech before the European Parliament as a head of a Member State (January 2007), Romanian President Traian Băsescu referred to the need for offering the Republic of Moldova the status of a candidate country. He was to reiterate the same idea at the *ad-hoc* Central European Summit held in Brno (24-26 May), where he stated that: "We wish that the Republic of Moldova gains the attention of the EU for a future stage of the enlargement process.[...] The perspective of EU accession is crucial for a successful reform process. Agreeing on the principle of EU accession or of *open doors* is a forceful incentive for deepening domestic transformation in the aspiring countries".

Although, according to their own statements and objectives (e.g., the transformation of the current Partnership and Cooperation Agreement – PCA – with the EU into an Association Agreement modelled on the ones signed at the beginning of the 1990s by the Central and Eastern European Countries),

Moldovan officials profess a strong desire to join the European Union, their reactions to these Romanian expressions of support are extremely reserved, if not outright hostile. For instance, within a week from the above-mentioned speech of the Romanian President in front of the European Parliament, the Moldovan Foreign Minister, Mr. Andrei Stratan, paid an official visit to Sofia, on which occasion he formally requested Bulgaria's support for devising Moldova's position in connection with the follow-up to the PCA, which reaches its term at the end of 2008.

The Moldovan authorities display a deep mistrust concerning the real nature of Romania's intentions, which President Voronin almost explicitly describes as aiming to "undermine" his country's "statehood". In an interview for Reuters Agency, in May 2007, he offered the following arguments for this suspicion: the reticence ("refusal", in the words of Mr. Voronin) to sign the border treaty with Moldova currently still under negotiation; Romania's "encouragement" of Moldovan citizens to apply for Romanian citizenship; and the non-recognition by Romania of the existence of a "Moldovan language".

According to Mr. Voronin, Moldova's expectation was that "once Romania accedes to the EU, all these nationalistic claims, based on a Romanian genetic code (sic!), will disappear. Yet they do exactly the opposite!" Some notable developments have occurred over the past months with respect to two of the above-mentioned Moldovan arguments.

The thorny issue of the (non-existent, from the Romanian viewpoint) Moldovan language came to the fore in November 2007, on the occasion of the consultative vote in the European Parliament on two agreements between the EU and Moldova: visa facilitation and readmission, respectively. The Romanian Social Democrats voted against, on grounds that the agreements made explicit mention to the "Moldovan language", while the other two significant groups of Romanian MEPs (affiliated to the Liberals and the EPP, respectively) qualified their votes in favour with statements to the effect that this should not be construed as an "acknowledgment or acceptance of the so-called Moldovan language"<sup>749</sup>.

<sup>749</sup> In the words of Mr. Marian Jean Marinescu, vice-chairman of the EPP group.

\* [European Institute of Romania](#).



Ironically, the issue of visa facilitation, which Moldovan officials seemed so keen about, appears to be approached from a different angle insofar as it concerns Romania. Thus, less than two months after a high-level visit in Kishinev by Mr. Băsescu, at the end of which the two Presidents announced their agreement for the establishment of two Romanian consular offices (in the towns of Balti and Cahul, respectively), the Moldovan Foreign Affairs Minister announced (March 2007) that his country's authorities no longer consider this as being opportune.

The event marked just the beginning of a flurry of incidents bearing witness of unexpected frustrations towards Romania, which have reached new heights in the last months of 2007. The most salient points were:

- the refusal of access on the Moldovan territory, on 12 October 2007, of three delegations of Romanian local authorities which had been invited to the celebrations of the city of Kishinev, triggering Romania's Foreign Affairs Minister criticisms, including in the framework of a CAGRE meeting held only days after the event;
- the expulsion, on 12 December 2007, of two Romanian diplomats, targeted by the standard accusation of having "engaged in activities incompatible with their status"; the Romanian MFA qualified this gesture as "unjustified and non-amicable", but refrained from taking similar reprisal measures;
- the inauguration, in late December 2007, by Romanian Foreign Affairs Minister, Mr. Adrian Cioroianu, of an extended consular section of the Romanian Embassy in Kishinev, event unattended by any Moldovan government official, but triggering subsequent claims by Moldovan authorities that this represents a gesture both "non-amicable and not corresponding to a co-operative spirit" to which Mr. Cioroianu (who had repeatedly expressed his availability to meet his Moldovan counterpart) responded by inviting Mr. Stratan for a direct meeting, thus avoiding a "dialogue by way of formal public statements".

The common point of all these incidents were insistent reiterations by the Romanian side to the effect that Romania's position remains unchanged and that "Romania will continue to

promote the European destiny of the citizens of the Republic of Moldova"<sup>750</sup> (emphasis added).

*New "enhanced agreement" with Ukraine*

Although both are large countries (at least, so far, in demographic terms only) and they share a long common border, Romania and Ukraine are somewhat contradicting the "gravity model" of international trade relations, in that they carry out very modest commercial exchanges. Bilateral trade with Ukraine currently represents less than 1.5% of Romania's foreign trade (flows with other EU Member States included). Besides, there has been no commercial dispute worth mentioning between the two countries in the recent past.

These are arguments pleading in favour of the fact that Romania is highly unlikely to raise substantial economic issues in the context of the ongoing negotiations on a new enhanced agreement EU-Ukraine, nor in that of the possible negotiations on the establishment of a comprehensive Free Trade Area, which the imminent accession of Ukraine to the WTO should pave the way for.

Over the course of 2007, the only bilateral issue on which Romania sought to use its leverage as an EU Member State was of a non-economic nature, namely the Ukrainian refusal to waive the visa requirements for Romanian (and Bulgarian, for that matter) citizens, following these two countries' accession to the EU. For a long period, the Ukrainian authorities have sought to link the lifting of visa requirements for Romanian and Bulgarian nationals to the successful conclusion (and entry into force) of an agreement being negotiated with the EU on the relaxation of the EU visa regime for Ukrainian nationals. In so doing, Ukraine was emphasizing that its earlier (2005) decision to waive visa requirements for EU nationals was a goodwill gesture, not a contractual obligation, and seemed impervious to the fact that it was thus applying a discriminatory treatment among EU Member States. Under these circumstances, Romania has repeatedly sought the support of the EU in order to persuade the Ukrainian authorities of the inadequacy of their position. It was only after the Ukrainian early elections and the advent to power of a coalition supporting the new government headed by Ms. Yulia Tymoshenko that Ukraine abandoned its self-decided

<sup>750</sup> Romanian MFA statement *apud* ACTUALITATEA, 12 December 2007.

conditioning of two separate issues, and a decision lifting the visa requirements for Romanians and Bulgarians was taken (in late-December 2007), effective 1 January 2008.

Although 2007 was an anniversary year for the bilateral Romanian-Ukrainian relations (15 years since the establishment of diplomatic relations and 10 years since the signature of the Basic Political Treaty), their status remained precarious, as the pending contentious issues between the two sides made no discernible progress. Apart from the recurrent criticisms concerning the treatment of the significant Romanian minority of South-Western Ukraine (which Romanians refer to as Northern Bukovina), and which are difficult to assess objectively and to disentangle from domestic policy considerations and posturing, there are two concrete issues which the Romanian authorities are counting on international support:

- one is the construction by Ukraine of the “Bystroe Canal” in the Danube Delta, which it deems necessary as a means to unlock the country’s access to the Black Sea (presumably hampered by the high fees and insufficient maintenance of the “Sulina Canal” situated on the Romanian territory), but which the Romanian side claims that it will irreversibly damage the environment and, in particular, the unique Danube Delta ecosystem;
- the other is Ukraine’s drive towards “producing” an economically self-sustainable area on the “Snakes’ Island”, a former Romanian territory ceded (outside the framework of the post-World War II peace treaties) to the Soviet Union, and which Romania deems being a “rock” in the meaning of public international law, hence unable to confer legitimate claims for an exclusive economic zone in the Black Sea.

The latter dispute, both sides agreed, will be adjudicated by the International Court of Justice in The Hague.

Against the background of rather unimportant bilateral economic relations, but tense and high-stake issues of a non-economic nature, it remains to be seen whether Romania will seek to use its implicit veto power concerning the “enhanced agreement” EU-Ukraine as a lever for extracting bilateral concessions. So far, no political actor on the Romanian scene hinted at

such an eventuality and no surprise move is to be expected from Romania when Ukraine’s accession to WTO will come to the vote of the General Council in early February.

Having said this, a Romanian negative vote in the WTO would risk putting the country in a bad light for no useful purpose, because it could easily be circumvented by a qualified (two thirds) majority of WTO members. Similar considerations (i.e., concern not to strain relations with EU partners and lack of sufficient “clout” to really change the outcome) plead in favour of discounting the risk of an obstructive Romanian attitude during the negotiations of the “enhanced agreement”.

However, once this agreement would come up for ratification, both the implicit veto right and the far larger visibility of this issue (because requiring a Parliament vote) might generate an increased assertiveness of the Romanian side and the temptation to use this (rare) opportunity as a vehicle to further strictly national goals.

#### *Start of negotiations on new partnership agreement with Russia*

As is the case with Ukraine, the Romanian stakes in its bilateral relationship with Russia do not exactly tally those perceived by the critical mass of EU Member States. Consequently, no explicit positions (be they formal, or otherwise) have been taken in Romania with regard to a possible re-negotiation of the 1997 EU-Russia Partnership and Cooperation Agreement. There are two distinct dimensions of the bilateral relation with Russia which really matter from a Romanian perspective: security and energy, respectively.

As concerns security, the Romanian public opinion, as expressed at both official and media level, was quick to note that Russia’s decision to suspend its participation to the Treaty on Conventional [Armed] Forces in Europe (hereafter, CFE) has been substantiated by the Russian authorities on at least two matters of direct concern for Romania: the extension of the NATO alliance till the Western borders of Russia; and the establishment of American military bases on the territories of both Romania and Bulgaria. The Romanian authorities have so far refrained from taking a pro-active stance in this issue, but they were keen to mark every Russian initiative in this respect with official rebuffing statements. Thus, following the extraordinary

Conference of CFE signatories (held in Vienna, in June 2007), Romania reiterated its position to the effect that the dialogue among the CFE signatories will be pursued. The July 2007 memorandum of Russia which confirmed the decision to suspend its CFE abidance was met by the Romanian Ministry of Foreign Affairs with a statement expressing both “disappointment” and the hope that all CFE signatories will maintain the dialogue and will “continue to abide by the obligations assumed in the framework of the CFE”. A slightly more categorical note was struck in November, when, following the Russian Duma’s unanimous vote to “suspend” Russia’s participation to the CFE, the Romanian Ministry of Foreign Affairs qualified it as a “unilateral measure compromising the commitment to fulfill the obligations undertaken in the framework of the Treaty”.

As concerns energy, no significant new developments occurred in respect of Romania’s supply with Russian natural gas (which now accounts for almost 40% of domestic consumption). However, the local perception that Romania has to pay about the highest price among all of Russia’s clients for the imported gas still stands and generates frustrations. Very recently (25 January 2008), the chairman of the Industry Committee of the House of Deputies, Mr. Iulian Iancu, has publicly blamed the “unfriendly foreign policy stance vis-à-vis” Russia for this situation. The other energy-related issue with recurrent echoes in the public opinion pertains to Romania’s interest in opening a transport route for the Caspian Sea gas (the “Nabucco” project) and the competition made to it by the Gazprom & ENI-sponsored “South Stream” project<sup>751</sup>. The very recent agreements reached by Russia with both Bulgaria and Serbia concerning the transiting of natural gas via these two countries’ territories has reignited comments to the effect that Romania is being by-passed and “isolated”. The Ministry of Foreign Affairs issued a statement reiterating the priority attached by Romania’s priority to “Nabucco”, while the spokesperson of the main opposition party (the Social-Democratic Party), Mr. Cristian Diaconescu, has qualified the Russian-Bulgarian agreement concerning “South Stream” as the certificate of failure for “Nabucco” and asked that the country’s Supreme Defense Council analyses Romania’s

<sup>751</sup> This is meant to escape the land routes via Ukraine or Turkey, going under the Black Sea to Bulgaria and, from there, to Greece and Italy.

isolation from the main European energy transport routes.

The above considerations seem to highlight not only the limited relevance, for the Romanian public opinion, of the EU-Russia PCA, but also the fact that Romania is unlikely to embrace an obstructionist attitude towards it. Unlike in the case of Ukraine, there are no open bilateral disputes, and the frustration voiced in the public debate is mainly related to Russia’s neglect (and, possibly, discrimination) of Romania.

#### *Black Sea Synergy / Black Sea cooperation*

After accession to the European Union, Romania’s interest in the developments over the last year at the ENP level followed an ascending course. The central element of this special attention paid to consolidation of this particular policy’s instruments – shown both before and after the 1<sup>st</sup> of January 2007 – consisted of Romania’s priority interest in playing a part in the acceleration of the participating processes within the enlarged Black Sea region, in strengthening the climate of security and cooperation in this area, as well as supporting the development of a Euro-Atlantic strategy for the Black Sea region. According to “Romania’s National Strategy of Security” which contains a special chapter on the Black Sea issues, “Romania – A Dynamic Vector of Security and Prosperity in the Black Sea Region”, the Black Sea region is a connector of foremost importance of the Euro-Atlantic community (as a security supplier and energy consumer) to the strategic region of the Middle-East – Caspian Sea – Central Asia (as an energy supplier and security consumer).

The launch of the “Black Sea Forum for Dialogue and Partnership”, as a regional platform for debate and interaction, associated to existing structures (as BSECO) was the first concrete initiative of Romania destined to support the emerging European dimension of the Black Sea<sup>752</sup>. The other regional initiatives

<sup>752</sup> Under the aegis of the *Black Sea Forum for Dialogue and Partnership (BSF)*, mentioned in the EU Communication *Black Sea Synergy* as an innovative platform for new civic and environmental cooperation projects, Romanian Ministry of Foreign Affairs has initiated some follow-up actions: the international conference “Synergies between Black Sea and Northern Europe Cooperation”, Bucharest, 27th of April 2007; the international workshop “How Can the Black Sea Region Contribute to Improved Global Security?”, Bucharest, 7<sup>th</sup> and 8<sup>th</sup> of June, 2007, organised by MFA, Norwegian Ministry of Foreign Affairs and EURISC Foundation; the project “Civil Emergency Planning: Building National and

within or outside ENP – Stability Pact for South Eastern Europe, Euro-Mediterranean Partnership (Barcelona Process) and the Northern Dimension – have been constantly evoked in Romania as sources of inspiration for the projects to be developed under the aegis of the Black Sea Dimension of ENP (Black Sea Synergy).

Keeping the note of enthusiasm of the statements regarding Romania's steady commitment to development of the Black Sea regional cooperation, in the context of ENP strengthening, the President of Romania, Traian Băsescu, recalled Romania's contribution to shaping the Black Sea dimension of the EU: "The Black Sea dimension of the EU, transposed in the Communication of the European Commission, *Black Sea Synergy* – which was one of the priorities of the EU German Presidency – has also been outlined through the significant contribution of Romania. We benefit from the experience acquired within the accession process, as well as from the relationships established with the Black Sea coastal states. Romania fully supports this project which, along with the bilateral EU policies concerning the countries in the region that are included in the European Neighbourhood Policy, along with Turkey's pre-accession process and with the strategic partnership between the EU and Russia, adds to the already substantial efforts of the EU for promoting stability and reforms in the Black Sea bordering countries"<sup>753</sup>.

President Băsescu also suggested in a different context<sup>754</sup> the necessity of fixing a consultation mechanism between BSECO and the other regional initiatives, on common agenda issues, insisting upon the fact that a complementarily approach would contribute to the synergy between the already established Black Sea structures and the cooperation projects, which Romania will promote within the ENP.

Beyond the rather declarative reiterations of the Romanian president, Romania's interest in the development of the EU strategic elements concerning the Black Sea region has also been recently recalled by Adrian Cioroianu, Minister of Foreign Affairs, on attending the meeting of the General Affairs and External Relations Council, which took place in Brussels on 19-20 November 2007. Within the framework of the discussions on the maritime policy, he positively appreciated inclusion of the Black Sea region in the strategy, paying a special attention to the environment protection in this area. Minister Cioroianu highlighted the fact that Romania considers necessary to carry on development of short sea shipping and to include common maritime policy elements and objectives within the cooperation instruments with third countries, especially those situated in the European neighbourhood<sup>755</sup>.

Black Sea cooperation was also the subject of a report<sup>756</sup> drafted and presented by the Romanian MEP Roberta Anastase (EPP-ED), Member of the European Parliament's Foreign Affairs Committee. In an interview given after the presentation and the adoption of this document, MEP Roberta Anastase pointed out that "the report on Black Sea cooperation actually represents the first official acknowledgement of the EU Eastern dimension, of equal importance to the Northern, Southern or Euro-Mediterranean dimensions. It is, as well the materialization of the only theme brought by Romania on the European Union agenda."<sup>757</sup> Among the important proposals outlined by the report, the Romanian *rapporteur* considers important the measures for limitation of cross-border crime, of illegal migration and of illicit trafficking, measures for diversification of the EU energy supplies (by building the trans-Caspian/trans-Black Sea energy corridor and the Nabucco, Constanța-Trieste and AMBO pipelines) and, last but not least, those regarding the promotion of democracy and economic cooperation in the region. The Romanian MEP Roberta Anastase believes that European

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Regional Capability in the Black Sea Region", launched in Neptun, 1<sup>st</sup> to 3<sup>rd</sup> of July 2007, organised by MFA and MIRA; the international workshop "Civil Society Contribution to Black Sea Regional Security: Matching Words and Deeds", Bucharest, 10<sup>th</sup> and 11<sup>th</sup> of July 2007, organised by MFA and the Crisis Management Initiative – Brussels.

<sup>753</sup> Speech held by the Romanian President Traian Băsescu at the conference "Black Sea Trust for Regional Cooperation", Bucharest, October 23, 2007.

<sup>754</sup> Speech held by the Romanian President Traian Băsescu at the "Black Sea Economic Cooperation Organization Summit", Istanbul, June 25, 2007,

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<sup>755</sup> Press release, Romanian Ministry of Foreign Affairs, November 20, 2007.

<sup>756</sup> European Parliament, gathered in a plenary meeting in Strasbourg, adopted on the 18<sup>th</sup> of January by 581 votes for, 19 against and 17 abstentions, the report on Black Sea cooperation, drafted by the Romanian MEP Roberta Anastase.

<sup>757</sup> Interview with Romanian MEP Roberta Anastase, *InPolitics*, January 19, 2008, available at: <http://www.inpolitics.ro/InPolitics/art/13756/Roberta-Anastase-Este-possibil-s%C4%83-apar%C4%83-probleme-cu-Federa%C5%A3ia-Rus%C4%83-in-proiectele-energetice.html> (last access: 04.03.2008).

Commission's opening towards these proposals would lead to decreasing of the European Union energy dependence on Russia, as well as to strengthening of Romania's role in the region, which will bring in benefits, both in terms of economy and security of the region.

Among the Romanian researchers' recent contributions and recommendations meant to shape key-elements required for grounding the Romania's position in order to strengthening the Black Sea regional dimension of ENP, we should mention one of the strategy and policies studies (SPOS) coordinated by the European Institute din Romania during the second half of 2007<sup>758</sup>. The paper contains punctual recommendations on how Romania could involve in promoting the EU dialogue with its neighbours, making use of ENP instruments in order to bring in economic benefits to the non-member states in the area by Free Trade Agreements, Autonomous Trade Preferences and other incentives. Among the recommendations regarding the transfer of know-how, the study's authors propose that, as Black Sea and Baltic Sea bordering EU Member States, Romania and Poland should lay the foundations of a special partnership, as a 2+2 structure, for know-how transfer in the field of security sector reform and institutional democratisation towards ENP countries in their immediate neighbourhood, namely Moldova and Ukraine. The paper also points out that, as regards the management of "frozen conflicts", the EU should consider the opportunity of launching a civilian police mission in the breakaway Transnistrian region, which would be the first ESDP operation in the ex-Soviet area. Following the example of the EU mission in Bosnia and Herzegovina, this mission should involve both EU Member States – among which Romania, as a European Union border state – and third countries with direct interests in the area, such as the Russian Federation and Ukraine. Migration is another issue tackled by this study, which mentions the fact that the EU Member States and the third countries in the Black Sea region are equally interested in launching circular migration programmes and in establishing mobility partnerships. A pilot mobility partnership can be implemented as a priority in Moldova. The analysis includes recommendations on fight

<sup>758</sup> *Toward a European Strategy in the Black Sea Area: the Territorial Cooperation*, authors: Prof. Adrian Pop and Prof. Dan Manoleli (European Institute of Romania, Project SPOS 2007 – Strategy and Policies Studies, to be issued in March 2008).

against cross-border crime, border management, education, tourism, visa policy etc.

The Southern dimension of the ENP is a less discussed theme in Romania, as the Mediterranean project only tackles it from the point of view of the possible lessons which might be useful to the Black Sea dimension enhancing initiatives. The researchers involved in the analysis of the cooperation issues in the Black Sea region consider that Europe's reticence against President Sarkozy's idea of reviving this project by proposing a Euro-Mediterranean Union scenario, was due to absence of concrete elements regarding the value added of a scenario of such a cooperation up to the current arrangements, Barcelona Process or ENP<sup>759</sup>, respectively.

#### European Neighbourhood Policy and Russia

##### Slovakia\*

##### Neighbour Ukraine

Ever since its inception official Slovak foreign policy has taken a key interest in the European Neighborhood Policy. Slovakia's vital interests in the ENP stem from the fact that Ukraine is Slovakia's largest neighbor. Following the completion of Slovakia's memberships in the EU and NATO in 2004, the country's new foreign policy priorities have included the region of the Western Balkans as well as Ukraine. Hence, Slovakia's geographic interests in the ENP are largely confined to the eastern neighborhood of the EU.

There has been virtually no public debate on either the new EU "enhanced agreement" with Ukraine or on the start of negotiations on a new partnership agreement with Russia. Rather relations with both Ukraine and Russia have been dominated by topics of bilateral concerns. In 2007 Slovakia's relations with Ukraine have been dominated by discussing potential consequences of Slovakia's accession to the Schengen regime (successfully completed on 21 December 2007) and by Slovakia's interests in purchasing electricity from Ukraine after the closure of the Jaslovské Bohunice nuclear power plant in 2009. In addition, Slovakia's embassy in Kiev has been serving as the NATO contact point for Ukraine in 2007-2008. On the other hand, Slovakia's relations with Russia have been

<sup>759</sup> Idem 13.

\* [Slovak Foreign Policy Association](#).



largely dominated by negotiations over energy supplies. Slovakia is almost solely dependent on Russia's natural gas and oil supplies. Slovakia's strategic interest vis-à-vis Russia is connected with negotiating a favourable price for deliveries of natural gas. Slovakia's current government led by Prime Minister Fico has a strong interest in keeping inflation under control given the country's goal to adopt the euro on 1 January 2009.<sup>760</sup>

Slovakia's activities vis-à-vis the Nordic dimension and Baltic cooperation are limited to Slovakia's ad hoc political consultations with the Baltic states and the Nordic Council states. The Black Sea Synergy initiative did not spark much public interest but privately, some Slovak diplomats saw this more as a visibility exercise for Bulgaria and Romania as new EU member states rather than an initiative with a real potential to reshape the ENP. Similarly, Sarkozy's initiative to establish the Union for the Mediterranean is seen largely as an attempt to place France at the forefront of EU external relations and to direct more resources to the southern dimension of the ENP.<sup>761</sup> Slovakia's overarching strategic interest in the ENP regions is connected to energy security. Eastern, southern and northern neighbours of the EU offer both resources and potential for partnership in developing a comprehensive EU energy policy. Slovakia's specific challenge in relation to the eastern neighborhood is connected to dealing with the consequences of establishing the Schengen border between Slovakia and Ukraine. Slovakia's big concern with new provisions of the Lisbon Treaty on external relations and the ENP is with the future functioning of the proposed European External Action Service (new article 13a of the Lisbon Treaty). Slovakia – like other newer and smaller member states – is worried about keeping some influence on EU external relations.

<sup>760</sup> For a more detailed analysis of Slovak-Ukrainian and Slovak-Russian relations see Zuzana Bates/Martin Bútorá/Alexander Duleba et al.: „Zahraničná politika – hlavné trendy, dvojstranné vzťahy a regionálna spolupráca“, in: Martin Bútorá/ Miroslav Kollár/Grigorij Mesežnikov (eds.): Slovensko 2007. Súhrnná správa o stave spoločnosti 2007 (Bratislava: Institute for Public Affairs, 2008), pp. 277-340.

<sup>761</sup> Discussions at a seminar Slovakia and Hungary in the EU: Is the Mediterranean Too Far Away? Hungarian Institute of International Affairs, Budapest, 17 March 2008.

## European Neighbourhood Policy and Russia

### Slovenia\*

#### ENP almost absent from political and public debates

ENP is to a large extent absent from a political or public debate and all one can find are government's or National Parliament's declarative statements on the future of relations between the EU and the countries east and south of it. Relations with the Western Balkans absorb all the attention in Slovenia as far as neighbouring countries are concerned, with a small niche left for Euro-Mediterranean Partnership. Therefore, the following is an outline of the formal government's position regarding the ENP (in line with the annual declaration of the National Parliament on the work of Slovenia in the institutions of the EU),<sup>762</sup> with additional observations on Sarkozy's idea on the Mediterranean Union and the Euro-Mediterranean University, which is to be established on the Slovenian coast.

#### Key regions/countries for ENP

Slovenia is in favour of further strengthening of the ENP as a whole (the Mediterranean region and the Eastern Europe and South Caucasus) and will aim at its further consolidation within a single and coherent policy framework. Since multilateral cooperation in the Mediterranean part of the ENP is more developed, Slovenia is in favour of increased regional cooperation in the Eastern ENP region as well.<sup>763</sup>

#### New "enhanced agreement" with Ukraine

Slovenia supports ongoing negotiation with Ukraine on new enhanced agreement and welcomes its closure and signing as soon as possible.

#### \* Centre of International Relations.

<sup>762</sup> Deklaracija o usmeritvah za delovanje Republike Slovenije v institucijah Evropske unije v obdobju januar 2007 – junij 2008 (DeUDI EU0708) [Declaration on the directions for activities of the Republic of Slovenia in the EU institutions in the period 2007 – June 2008], adopted by the National Parliament of the Republic of Slovenia on 27 March 2007, Uradni list RS 31/2007 of 6 April 2007.

<sup>763</sup> Answers to all the questions under the title of the ENP were provided by Mr Matej Marn, Head of the Division for EU Affairs at the Ministry for Foreign Affairs of the Republic of Slovenia, document no. ZEU-77/2008, 5 February 2008 (contact person Ms. Monika Suša).

*Start of negotiations on new partnership agreement with Russia*

Slovenia supports the efforts to start negotiations for the new comprehensive framework agreement to succeed the Partnership and Co-operation Agreement as soon as possible. The relations between Russia and Poland regarding the trade of meat and plant products are normalising. Positive expectations exist that the mandate for negotiations on a new Partnership and Co-operation Agreement could be confirmed during Slovenian Presidency.

*Nordic dimension of ENP and Baltic cooperation*

When talking about the ENP the term "Mediterranean" and "Eastern" ENP region is commonly used. Nevertheless, Nordic dimension (in the sense of cooperation of Nordic States) and Baltic cooperation can improve cooperation between the EU and individual ENP partners as well as it can strengthen relations within the regions. Slovenia is in favour of cooperation which contributes to deeper economic integration within the ENP and fosters people-to-people contacts.

*Black Sea Synergy/Black Sea cooperation*

Slovenia believes that the Black Sea region offers big potential and challenges in some crucial sectors such as energy, transport, environment, migration and security. Therefore, the state very much supports the April 2007 EU Commission regional cooperation initiative for Black Sea Synergy. Since the above mentioned fields of possible cooperation are incorporated within the priority development and enhancement goals of the Republic of Slovenia, the state pays much attention to the region. Slovenia is convinced that enhanced regional cooperation – the goal of the synergy – can contribute to the process of solving long-existing disputes in the region, especially under condition of more intense EU engagement. Increased inter-state trust can lead to faster national reforms in the states of the region. Black Sea Synergy represents also a possibility of ENP development in the East as it involves all five Eastern ENP countries and centres on the same issues as the ENP (migration, transport, energy, economic cooperation).

*Potential impact of Sarkozy's project "Mediterranean Union" on ENP*

Since there has been no official presentation of the Mediterranean Union initiative, an official position of the Republic of Slovenia towards this issue has not yet been constituted. Nevertheless, it is worth to mention that in July 2007 Slovenia organized an informal meeting of Mediterranean EU member states at its coastal town of Portorož. The participating states' Foreign Ministers of Bulgaria, Cyprus, France, Greece, Italy, Portugal, Romania, Spain, and the host debated on the issue of the Mediterranean Union. At this meeting Slovenian Foreign Minister Dimitrij Rupel declared that the idea of the Mediterranean Union is directed to alignment of states with similar problems and inspirations and which could gather within this kind of union with a common ground and action. He underlined that the states gathered at the Portorož meeting represent important if not the most important member states of the EU. At the same time, he rejected allegations that the French proposal is presented as a consolation prize for Turkey's rejection of the EU membership.<sup>764</sup>

*Biggest challenges from ENP regions – East and South (immigration, security, energy, etc)*

At the moment, in Slovenian opinion the biggest challenges for the ENP regions are the issues of further economic integration, mobility issues, sectoral reforms and modernisation and the role of the EU in conflict prevention and resolution.

*Probable impact of new provisions of Lisbon Treaty on external relations and ENP*

The potential influence on the ENP is seen in the newly formed function of the EU Foreign Minister, as it will unify the current roles of the EU Commissioner for External Relations and ENP and the High Representative for CFSP.

*Euro-Mediterranean Partnership (EMP)*

An important dimension of the EMP is intercultural dialogue. Year 2008 has been declared as the year of the intercultural dialogue, launched at the ceremony taking

<sup>764</sup> RTV SLO/STA (2007), Na Obali o sredozemski uniji [At the Coast on the Mediterranean Union], Radio-Television Slovenia, Slovenian Press Agency, Portorož, 5 July, available at: [http://www.rtvslo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=146308&tokens=sredozemska+unija](http://www.rtvslo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=146308&tokens=sredozemska+unija) (last access: 6 July 2007).

place in Ljubljana on 8<sup>th</sup> of January 2008. Within this context, the Slovenian Government deems of high importance the establishment of the Euro-Mediterranean University with a seat in Slovenia and appreciates the help from all Euro-Mediterranean Partner countries. The Government has established a University Centre for Euro-Mediterranean Studies, responsible for further activities which are to lead to the establishment of the University.<sup>765</sup>

## European Neighbourhood Policy and Russia

### Spain\*

#### Mediterranean countries central within ENP

Spain supports the ENP and promotes its reinforcement. However, the Spanish government believes that ENP should maintain the balance between regions but not support some regions to the detriment of others. The country-specific approach within ENP and the principles of differentiation and flexibility should be respected. From the Spanish point of view, ENP should not be considered a first step to integration in the EU but must have a value in itself. ENP is considered a complement to – and reinforcement of – the Barcelona process.

According to the Spanish foreign policy priorities, the Mediterranean countries are central within ENP. Morocco is particularly important for Spain's interests. In this context, Spain has welcomed the ongoing discussions with Morocco on an 'advanced status'. Spain's Foreign Minister has stressed the relevance of establishing 'privileged relations' with a partner as significant as Morocco.<sup>766</sup>

The Ukraine is not greatly relevant to Spain's European policy. However, the Spanish government has emphasised the importance of the new EU-Ukraine agreement on facilitating the issue of visas since 1 January 2008.

From Spain's point of view, there are several issues in EU-Russian relations that must be taken into account: difficulties in Russia's membership of the World Trade Organisation

<sup>765</sup> Ministry for Foreign Affairs of the Republic of Slovenia, Evromediteransko partnerstvo (EMP) [Euro-Mediterranean Partnership], available at: [http://www.mzz.gov.si/si/zunanja\\_politika/evropska\\_unija/evromediteransko\\_partnerstvo\\_emp/](http://www.mzz.gov.si/si/zunanja_politika/evropska_unija/evromediteransko_partnerstvo_emp/) (last access: 12 January 2008). Further information on the Centre can be found at the website: <http://www.emuni.si/> (last access: 12 January 2008).

\* **Elcano Royal Institute.**

<sup>766</sup> Press conference, Foreign Minister Moratinos, 10 December 2007, see: [www.mae.es](http://www.mae.es).

the divide within the EU to reach a consensus on a European Energy Policy, the different European member states' interests regarding Russia and the unpredictable and unclear situation in Russia until a new government assumes power. In this context, Spain's aim is to steer a prudent course, given the relevance Russia has acquired over the past few years (it is currently Spain's main supplier of crude oil). Accordingly, Spain is reinforcing its bilateral relations and has just created a Spanish-Russian Relations Council, whose aim is to improve business initiatives and projects in the areas of infrastructure, energy, trade, finance, etc. The Spanish government believes that Russia is one of the EU's strategic partners and that relations must be based on a legal instrument. It also believes that without the Polish veto an agreement could be reached soon. The Spanish government considers that the agreement must include a perspective of shared (EU-Russia) responsibility for the stability of the European continent and the solution of frozen conflicts (such as Transnistria and Chechnya). Spain will back initiatives to reinforce the cultural, social and academic ties between Russia and Europe.

ENP's Nordic dimension, Baltic cooperation and the Black Sea Synergy are not very significant in Spain's European policy. However, the Spanish government recognises the overall relevance of these initiatives, while other regions – such as the Mediterranean – maintain their importance.

As regards the Mediterranean, there is not a public document describing in detail the proposal of a Mediterranean Union, which was initially met by the Spanish government with a degree of mistrust and caution. Spain's main concern was that the initiative could damage the Barcelona Process. Despite the latter's lack of results, the government believes some of its elements should be maintained, for instance the fact that all EU member states are involved in the process and that the northern members are beginning to show an interest in Mediterranean matters. In addition, it is believed that given the number of organisations which are concerned by the Mediterranean it would be unnecessary – or even counterproductive – to have an additional body such as the Mediterranean Union. From Spain's point of view, the French initiative should be complementary to the Barcelona Process and ENP but not replace them. It should be noted that the conditionality

approach could be absent from the new initiative.

Nevertheless, Spain's perception has changed during the past weeks, probably on account of the significant Franco-Spanish cooperation in such important issues as terrorism and energy. The main theme of the Zapatero-Sarkozy-Prodi summit held in Rome in December 2007 was the Mediterranean Union. At the meeting the Spanish Prime Minister, José Luis Rodríguez Zapatero, expressed his commitment towards the project, which he described as a new stage in which the Mediterranean countries could play a leading role.<sup>767</sup>

The declaration signed by the three leaders in Rome on 20 December 2007 stated that the Mediterranean Union does not intend to replace the current cooperation mechanisms but to 'supplement them and give them an additional momentum, in a spirit of complementarity and co-operation with all the existing institutions'.<sup>768</sup> Despite the declaration explicitly stating that the Barcelona process and ENP would continue to be central elements, some analysts believe that it will now be very difficult for them not to be relegated.

The wider EU neighbourhood, especially the southern ENP region, faces a large number of challenges, both security and non-security-related. These include high poverty levels, the lack of a sustainable development model, the difficulties in managing migration from the perspective of the countries of origin, destination and transit, the unsolved Israeli-Palestinian conflict, the current Lebanese political crisis, the radicalisation of certain sectors of the Mediterranean population, the increasing presence of international terrorism and the lack of deeper reforms to ensure respect for human rights.

Regarding the Treaty of Lisbon's likely impact on ENP, it should be stressed that this is the first time it is referred to in an EU treaty and its inclusion reflects the importance given by the EU to its relations with its neighbours. The creation of the post of High Representative of the Union for Foreign Affairs and Security Policy aims to give the EU a more efficient international presence and to contribute to a

more coherent development and implementation of Europe's foreign policy.

## European Neighbourhood Policy and Russia

### Sweden\*

#### Baltic sea area in focus

Among the key Swedish interests in the years to come concerns the Baltic Sea area. The European Council has given the Commission the task of formulating an EU Baltic Sea strategy, to be presented prior to the Swedish presidency. This is very promising, EU Minister Malmström remarked to the parliament earlier this year, as it provides an opportunity to address cross-border challenges, not least environmental, in the Baltic Sea area.<sup>769</sup>

Regarding the more general issue of the ENP, the government is broadly in favour of the policy, built on the same logic of positive conditionality as enlargement. However, the ENP suffers from a number of deficits, the government argues; the policy needs to be further developed and made more precise and it needs to be elaborated for each individual partner/case.<sup>770</sup>

Russia remains a key issue for Sweden and the relationship between the EU and Russia is deemed a crucial one for the future. Although the importance of the relationship remains intact, the prospects for the future are rather bleak and there is an obvious disappointment about developments in Russia and in the EU-Russian relationship in the last few years. Foreign Minister Bildt noted recently that "we have seen a deterioration of the image of Russia in the West as well as tendencies towards new mistrust between Russia and the

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#### \* Malmö University/Stockholm International Peace Research Institute.

<sup>769</sup> Speech by Cecilia Malmström, Minister for EU Affairs, in the Swedish parliament concerning the Swedish Council Presidency, 2008-01-24, available at:

<http://www.regeringen.se> (last access: 04.03.2008), and at the Baltic Intergroup, "An EU strategy for the Baltic Sea region", 2007-12-12, available at: <http://www.regeringen.se> (last access: 04.03.2008). Also, speech by Foreign Minister Carl Bildt, "From a barrier of water to a Sea of Peace", 2007-06-12, available at: <http://www.regeringen.se> (last access: 04.03.2008) and speech by Cecilia Malmström, Minister for EU Affairs, "EU- hur ska den gemensamma försvars- och säkerhetspolitiken utvecklas?" [The EU – how is the common defense and security policy to be developed?], 2008-01-13, available at: <http://www.regeringen.se> (last access: 04.03.2008).

<sup>770</sup> Malmström, "EU- hur ska den gemensamma försvars- och säkerhetspolitiken utvecklas?", 2008-01-13.

<sup>767</sup> Statement by Rodríguez Zapatero at the Rome Summit, 20 December 2007, see: [www.la-moncloa.es](http://www.la-moncloa.es).

<sup>768</sup> 'Rome call for the Union for the Mediterranean', see: <http://www.emwis.net/initiatives/mediterranean-union/snews829431>.



West across a range of different issues... - - - the relationship in recent years has been centered around a series of more or less important points of friction.”<sup>771</sup>

## European Neighbourhood Policy and Russia

### Turkey\*

#### Turkey's neighbourhood policy

EU signalled a shift in its preference and instrument regarding its neighbours through the European Neighbourhood Policy (ENP) – a comprehensive single strategy of the enlarged EU for stabilizing its surrounding regions, instead of internalising them through membership. European Commissioner for External Relations and ENP Benita Ferrero-Waldner makes this point clear: “in the decade following the fall of the Berlin Wall, the amalgam created to establish relations with the neighbouring third countries was enlargement. Yet, it became clear that the EU couldn't enlarge ad infinitum.”<sup>772</sup> From this point on, EU insistently highlighted the core objective of the ENP one-way or the other: “to develop a zone of prosperity and a friendly neighbourhood – a ring of friends – with whom the EU enjoys close, peaceful and cooperative relations.” This rationale is clearly guided by the fact that both the quality of relations with the new neighbours of the enlarged EU and the societal development in these countries is a determining factor for future developments in the EU as well. On this very basis, EU has taken charge of endorsing peace, stability and welfare in the neighbouring countries by sharing its benefits through comprehensive cooperation networks in political, cultural, security and most importantly economical spheres. In order to provide more effective and coordinated support for trans-border and sub-regional cooperation across the external border of the EU and to promote greater coherence and consistency among these cooperation modules, EU does not fall short of designing a new European Neighbourhood Policy Instrument (ENPI) as well, which was rather difficult with the earlier proliferation of financial instruments. So far, many of its

critiques draw attention to the fact that addresses of the ENP have little in common with each other apart from geographical relevance to the EU, thus ENP is set to fall short of achieving its goal of cooperation leading to a ring of friends. Starting from the southwest, these are the countries of the Maghreb (Morocco, Algeria, Tunisia), the Mashreq (Libya, Egypt), the Middle East (Israel, Jordan, the Palestinian Authority, Lebanon, Syria), the Southern Caucasus (Armenia, Azerbaijan and Georgia) and Eastern Europe (Moldova, Ukraine and Belarus.)

What does it all entail for Turkey? From the vantage-point of the government, as Turkey's candidacy has been unanimously accepted during the EU Helsinki Summit 1999, Turkey should feel lucky to be able to get on the enlargement train as one of the last respective passengers at least on paper as since 2003, the Union presented a shift from 'golden' to 'silver' carrot; membership to partnership, most apparent in the framework of the ENP. The communication of the European Commission, which launched the ENP, clearly states that the ENP does not apply to the Union's relations with the remaining candidate countries – Turkey, Romania and Bulgaria – or the Western Balkans.<sup>773</sup>

Over and above, the concept of neighbourhood was not unique to EU, but also a catchword highly used in Turkey since the collapse of the Soviet Union when Turkey had to conceive her neighbours not just as 'sources of threat' but also as 'sources of opportunity.' Turkey has also been keen to improve her relations with neighbouring countries, most of which coincide with that of the EU. EU's and Turkey's neighbourhoods are increasingly overlapping. This is particularly true for the Black Sea region and the Caucasus, full-fledged partners in the ENP. Originally limited to the four Western Newly Independent States and ten Mediterranean Countries, the coverage area of the ENP was extended, following the Brussels European Council decision of 17-18 June

<sup>771</sup> Speech by Carl Bildt at the International Committee "Russia in the United Europe", 2007-10-07, available at: <http://www.regeringen.se> (last access: 04.03.2008).

\* Center for European Studies / Middle East Technical University.

<sup>772</sup> Benita Ferrero-Waldner, "The European Neighbourhood Policy: The EU's Newest Foreign Policy Instrument," *European Foreign Affairs Review* 11, 2006, pp. 139-142.

<sup>773</sup> In the communication of the European Commission on "Wider Europe-Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours", the South Caucasus is only mentioned in a footnote stating "Given their location, the Southern Caucasus therefore also fall outside the geographical scope of this initiative for the time being". Commission of the European Communities, "Wider Europe-Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours", *Communication from the Commission to the Council and the European Parliament*, COM (2003) 104 Final, March 11, 2003, p. 4.



2004, to include the three countries of the Southern Caucasus. The appointment of the EU Special Representative for the South Caucasus on 7 July 2003 was the first sign of the shift in the European approach towards the South Caucasus, brought on the international agenda after the Roses' Revolution in Georgia and the increasing attention paid to the Black Sea region. The European Security Strategy of 12 December 2003 clearly stated that the EU "should now take a stronger and more active interest in the problems of the Southern Caucasus, which will in due course also be a neighbouring region". The European Parliament accepted a resolution on 26 February 2004 on "EU's Policy towards the South Caucasus". The fact that the South Caucasus countries share with the candidate countries, Romania, Bulgaria and Turkey, either a sea or a land border is also underlined.

On this common ground, especially trade and energy oriented government officials and business elites valued the ENP positively. Turkey is part of the Black Sea cross-border initiative. The Black Sea cross-border cooperation program established under the ENPI will, in the Black Sea region, for the first time offer a real possibility of promoting grass-roots cooperation among local and regional authorities and addressing issues of common concern – such as the environment, transport and communications, maritime safety, the marine environment, regional economic development, tourism, and socio-cultural exchanges. This sea basin programme on the Black Sea coastal areas aims at facilitating the further development of contacts between Black Sea towns and communities. Bulgarian-Romanian and Turkish-Bulgarian cross-border projects aiming at enhancing the development of links and cooperation along the western coast of the Black Sea, will also be financed. However, it is equally important that the ENPI's cross border program for the Black Sea basin allows or indeed encourages the funding of cross-border projects between Turkey and the South Caucasus. Turkey's participation should not be sought only in maritime programs but also in the South Caucasian initiatives.

As a matter of fact, in the course of time, many policy circles in Turkey inspire the possible linkage between the Black Sea Cross-Border Cooperation Initiative of the ENP and the Black Sea Economic Cooperation (BSEC), established back in June 1992 with the initiative of Turkey. The EU has been receptive to these ideas. The European Parliament in its

report on the Black Sea published in December 2007<sup>774</sup> welcomed the fact that the Commission has recently obtained BSEC observer status and takes note of the existing relations between the European Parliament and the Parliamentary Assembly of the BSEC; considers it important to further encourage the parliamentary dimension of the cooperation between the European Parliament and the parliaments of the Black Sea countries; and considered that the EU, in its cooperation with the Black Sea region, should in particular rely on the three States which are members of both the EU and the Black Sea Economic Cooperation Organisation (BSEC) (Greece, Romania and Bulgaria) and take advantage of its close ties with the candidate country Turkey.

Turkey's present government seems eager to extend the BSEC role in the energy field while Turkey can become a transit country for the export of Russian gas.<sup>775</sup> Along with many other reasoning, one can argue that Turkish-Russian relations have gained considerable visibility since the end of 2004 also on these grounds of economics and energy. Turkish Prime Minister Erdogan and Russian President Putin have met several times since then. It is being stressed widely that bilateral relations are developing steadily in a very warm atmosphere. Russia is considering Turkey as a potential transit point for Russian natural gas exports to EU. Turkey is keen to associate Russia with regional initiatives to be developed in the neighbourhood and particularly in the Black Sea. As a matter of fact, some criticize the lethargy of Turkey in establishing closer relations with Russia until now. For instance, some observers maintain that as of now the EU seized the opportunity to prolong partnership agreement with Russian Federation,<sup>776</sup> "the route to Moscow pass from Brussels."<sup>777</sup> Similarly, a prominent historian, İlber Ortaylı holds that close relations with Russian Federation, Ukraine and Central Asian states are the ones that Turkey needs to favour with respect to the common ground of belonging to Asia, sharing the legacy of

<sup>774</sup> Committee on Foreign Affairs, Report on the Black Sea Regional Policy Approach, (2007/2101(INI), December 20, 2007.

<sup>775</sup> Özdem Sanberk, Murat Sungar, "Karadeniz Ekonomik İşbirliği veya barış mantığı," *Radikal*, June 5, 2007, <http://www.radikal.com.tr/haber.php?haberno=223192> (last accessed: 24.01.2008).

<sup>776</sup> *Zaman*, December 26, 2007.

<sup>777</sup> See:

<http://www.turksam.org/tr/yazilar.asp?yazi=548&kat=43> (last accessed: 24.01. 2008).

Chengiz Han and Byzantine. If Turkey were to be integrated into the EU, trading activities with these countries would inevitably tumble down.<sup>778</sup>

Although, initially, the EU was criticized for turning a blind eye to the Black Sea region among other sub-regional initiatives considered in the framework of the ENP, in the meantime, especially, in the aftermath of the accessions of Romania and Bulgaria, the Union has taken further steps to intensify cooperation with the countries of the Black Sea region under the rubric of 'Black Sea Synergy' – in the words of Ferrero-Waldner, “an additional sphere of cooperation with EU's partners in the east; Russia and Turkey” – and announced its intention to become an observer to the BSEC and obtained such status while the organization celebrates its 15th anniversary on June 25 2007, in Istanbul.<sup>779</sup> Since from January 2007, the Black Sea forms one of the borders of the Union, a strengthened regional approach is expected to become an essential part of the neighbourhood policy. The communication of the European Commission “Black Sea Synergy-A New Regional Cooperation Initiative” issued on 11 April 2007 aims at increasing the EU involvement in further defining priorities and mechanisms at the regional level in order to address the “significant opportunities and challenges in the Black Sea area”. The Turkey-EU pre-accession strategy together with the ENP and the Strategic Partnership with Russia will form one of the pillars of the EU Black Sea strategy. Being an all inclusive structure, the Organisation of the Black Sea Economic Cooperation (BSEC), with Turkey and Russia as its founding members, is expected to contribute to the success of EU's Black Sea strategy. Additionally, the Council of Europe has recently made a first step towards the establishment of a Black Sea Euro region at a meeting held in Samsun in autumn 2006.

While the BSEC wants to strengthen its ties with the EU and calls for a detailed neighbourhood policy from the Union, from the perspective of the EU, addressing energy security issues will not only foster the internal solidarity among BSEC members, among

which Armenia and Azerbaijan, Turkey and Greece take their part and set a successful example for the rest of the ENP countries for cooperation, but also keep Russian Federation (RF) in arms length from the Union. EU's relationship with RF is the unspoken political issue that hangs over its whole neighbourhood policy. RF still has troops in Georgia and Moldova and claims to play the role of mediator in the frozen conflicts in these two countries; it continues to support Lukashenka's regime in Belarus, and to represent a social and political force in Ukraine; last but not least, RF is a major oil and gas supplier to the EU and arbitrarily can play its energy card.

Within this context, if one is to argue for a convergence between the meanings assigned to the concept of 'neighbourhood' by the policy circles in Turkey and those of the EU, then, one needs to stay on the grounds of export shares, border trading-centres, expositions, visiting committees, marketing activities concerning exported goods etc. Better articulated, the field of convergence mainly talks by language of economics; and if not so, deploys the language of (energy) security. For instance, TUROGE 2008, the biggest conference on oil and gas will be held on March 18-20, 2008, gathering in Ankara the prominent figures of energy politics among which many of the members of the EU take their places. Turkey makes use of its strategically significance, as a bridge between the major oil producers of the Caspian Sea and the main consumer, Europe. It flows from this analysis that “Turkey also needs to develop a comprehensive 'neighbourhood policy' not only to become a member of the now 27-nation bloc, but also for its own welfare and security.” This was the basic line of a report released by the Turkish Industrialists' and Businessmen's Association (TÜSİAD). Turkey's leading business group TÜSİAD introduced the report “Turkey's Neighbourhood Policy in the EU accession process – Strategic Approaches,”<sup>780</sup> analysing the country's ties with its neighbours and listing a number of long-term strategic recommendations. The report stressed that Turkey needed long-term programs that included delicate strategies in order to put into practice visions aimed at cooperation. It is also underlined that Turkey's neighbours considered Turkey not only on her own terms but also as a close ally of the USA and a candidate of the EU, especially evident in the cases of post-Soviet Central Asian states. By

<sup>778</sup> See:

[http://www.rusya.ru/tur/index/authors/ilber\\_ortayle/print?id=5](http://www.rusya.ru/tur/index/authors/ilber_ortayle/print?id=5) (last accessed: 24.01. 2008).

<sup>779</sup> Duygu Güvenç, “BSEC to grant the EU observer status”, *Turkish Daily News*, June 18, 2007, <http://www.turkishdailynews.com.tr/article.php?enewsid=76091> (Last accessed: 24.01.2008).

<sup>780</sup> Report is available in Turkish, May 5, 2007, [www.sedefed.org](http://www.sedefed.org) (last accessed: 24.01.2008).

the same token, it was emphasized that political and economical cooperation established or privileged relations that will be established with the countries of Balkans, Black Sea, Central Asia, Mediterranean and Middle East would inevitably contribute to the position of Turkey in Europe as well.

Nevertheless, if one digs out a little deeper than economics and reaches out for politics, there lie the instances of divergence, instead of such seemingly convergence. This is mostly apparent with respect to the confusing statements and proposals of Nicolas Sarkozy, lately concerning 'Mediterranean Union'. Turkey-sceptic Nicolas Sarkozy as president in one of the EU heavyweights France, during his election campaign made it clear that he opposes Ankara's EU bid and has proposed instead a Mediterranean Union for Turkey. At the time, Sarkozy was thought to come up with such an idea just to offer Turkey something that would substitute EU membership; even he had no idea what the Mediterranean Union was. After taking office, however, he intensified efforts to embody his plan despite the fact that the EU has already forged two policies to develop ties with the Mediterranean region: the Barcelona process to establish an action framework to reinvigorate the Euro-Mediterranean partnership and the ENP. Sarkozy implied that the Mediterranean region was lacking a supra-national structure similar to the EU, which has its own secretariat, parliament and council, placing emphasis on a strong political dimension in a Mediterranean Union. Although, presidents of France, Spain and Italy announced a joint declaration on the accession process of Turkey and the 'Mediterranean union' proposal and maintained that these were two different processes that need not interfere with each other, such statements were followed by Sarkozy; "Turkey is not in Europe, she is in Asia."<sup>781</sup> In the face of such statements many policy circles in Turkey thought that Sarkozy was categorically excluding Turkey from the path of her ultimate goal, membership. Government officials drew thick lines that cooperation in the Mediterranean and cooperation in the EU were two different things, saying Turkey has begun EU negotiations and is in the negotiating process. According to Professor İhsan Dağı of the Middle East Technical University, Mediterranean Union proposal or plan seems to be a new concept for the Turkey-sceptics

<sup>781</sup> TRT (National TV), December 21, 2007; *Birgün, Star, Radikal, Tercüman*, December 22, 2007, <http://www.tumgazeteler.com> (last accessed: 25.01.2008).

who see full membership as risky, welcome loose integration models. In a similar vein, the deputy of the main opposition party CHP Onur Öymen underlined the double standards hidden behind such wordings and claimed the exclusionary figure and acts of Sarkozy when it comes to the accession process of Turkey into the Union suit the interests of many in the Union as well.<sup>782</sup> Öymen blames the policies of AKP for their unsupported insistence for membership at any costs.

Given this outlook, it seems quite clear that instead of debating about the implications of the 'Mediterranean Union' proposal on the external relations of the EU and the ENP, Turkey approached the issue from a different angle and focused on its hidden implications for its own windy accession process. In the end, once it has been understood that Sarkozy was mainly putting on the act of Schuman or Monet for the 'Mediterranean Union', calling upon to 22 littoral states plus Mauritania and Jordan to realize the same project of the EU, to the same end, through same tools in Mediterranean, initially distant officials in Turkey started to warm up to the process. This was also due to the fact that Turkey was to be assured by the visit of French ambassador, Alain Leroy to Ankara in the beginning of January 2008 that such cooperation does not amount to disarray from the accession process to the EU. Nonetheless, many critiques underline the fact that such proposal ignores the whole Barcelona Process and steals the thunder of the ENP. It seems also a witty coincidence that in every country Sarkozy sends an envoy to promote the Mediterranean Union, France gets to settle treaties of nuclear power plants,<sup>783</sup> unfortunately already underway also in the case of Turkey. Thus, we are once again back on the grounds of economical reasoning; therefore seemingly convergence. Post-Lisbon atmosphere also adds up to such convergence as according to many observers thanks to its mini-constitution-like format, Lisbon treaty signals for enlargement – compatible with the ultimate (in

<sup>782</sup> "CHP Genel Başkan Yardımcısı Onur Öymen'in Marmara Üniversitesinde yaptığı konuşma; Almanya Dönem Başkanlığında Türkiye-AB İlişkileri – Karşılıklı Yükümlülükler", May 8, 2007, [www.onuroymen.com/docs/2007/05/Marmara\\_Universitesi\\_8\\_Mayis\\_2007.doc](http://www.onuroymen.com/docs/2007/05/Marmara_Universitesi_8_Mayis_2007.doc) (last accessed: 25.01.2008).

<sup>783</sup> Ali İhsan Aydın, "Akdeniz Birliği'nde ısrar eden Sarkozy, Ankara'ya heyet gönderiyor," *Zaman*, December 11, 2007, [http://www.zaman.com.tr/haber.do?haberno=623594&keyfi\\_eld=417672757061204269726C69C49F69](http://www.zaman.com.tr/haber.do?haberno=623594&keyfi_eld=417672757061204269726C69C49F69) (last accessed: 21.01.2008).

spite of the ups and downs in the negotiation process) goal of membership.

Last resort; one should also not spare the fact that along with fields of convergence and divergence, there are fields that do not overlap and do not create significant common concern on each part's policy circles. For instance, Nordic dimension of ENP and Baltic cooperation, one finds himself in difficulty to clearly indicate to defined positions in government, opposition, media, NGOs and other social actors. Besides, this has to do with the contemporary socio-political debates in Turkey, stretching from the drafting of the constitution by AKP without exerting sincere efforts for reaching out to wide-scale social consensus to the debates regarding the ban of turban in universities etc.

#### European Neighbourhood Policy and Russia United Kingdom\*

#### Marginal interest for ENP, tensions between the UK and Russia

##### *European Neighbourhood Policy*

The European Neighbourhood Policy is of no more than marginal interest to public debate in the United Kingdom. To the extent that the ENP is discussed in elite circles, it usually serves merely to denote those countries at the Union's periphery who might or might not be prospective candidates for European Union, or, in some cases, NATO membership. This lack of interest in the ENP itself is partly a function of the 'disconnection' between the British electorate and the practical actions of the European Union. Partly too, it is the result of the UK's location, being physically as far removed from the Southern and Eastern borders of the Union as it possible to be.

##### *Russia*

Public and political perception of Russia in the United Kingdom is, at present, very unfavourable. The escalating diplomatic disagreements following the murder of Alexander Litvinenko in 2006 and Russia's refusal to extradite the prime suspect, Andrei Lugovoi, followed by the mutual expulsion of diplomats and the recent "forced" closure of a number of British Council offices in Russia have taken diplomatic relations to perhaps their lowest ebb since the end of the Cold War.

\* Federal Trust for Education and Research.

That the EU announced itself to be "very concerned" about this latest incident suggests that current frustrations towards Russia are felt not only by the UK<sup>784</sup>. The perception that Russia is increasingly using aggressively its energy supplies as a geopolitical tool, together with the OCSE's forthcoming boycott of the Russian elections are further significant factors that may well adversely affect the success of negotiations over a new partnership agreement with Russia.

##### *Lisbon Treaty innovations on external relations*

The innovations of the Lisbon Treaty on external relations are, in general, welcomed by pro-Europeans, and opposed by Eurosceptic commentators, although among some of the former there is a measure of frustration that the Treaty does not go further in strengthening the Union's ability to act coherently and effectively on the world stage. Even those who express enthusiasm about the Treaty's provisions in this area are likely to withhold their unreserved commendation until it becomes clear precisely how the positions and roles created in the Treaty will translate into reality.

##### *Mediterranean Union*

Interest in President Sarkozy's recent marriage to former model Carla Bruni far surpasses any interest the British electorate - or even the political elite - have shown or seem likely to show in his proposals for a Mediterranean Union. Some commentators have complained that the proposal lacks political substance to sustain its challenging title.

<sup>784</sup> Declaration by the Presidency on behalf of the European Union on closure of the regional offices of the British Council in Russian Federation, available at: <http://www.ambafrance-uk.org/Declaration-by-the-Presidency-on.html> (last access: 04.03.2008).

# 4

## Budget review

*In September 2007, the Commission started the 2008/2009 budget review by publishing a public consultation paper on 'Reforming the budget, changing Europe'.*

- **How is this review of the budget perceived in your country (involvement of civil society, media impact, etc.)?**
- **What are the main topics in the debate?**
- **What are the positions in your country on the following issues?**
  - **EU spending (Future policy priorities, Co-financing of Common Agricultural Policy, etc.)**
  - **EU resources (British rebate and generalisation of a correction mechanism, Proposal for EU tax, etc.)**



## Budget review

**Austria\*****Proposals for EU taxes**

As Euro-scepticism has reached a new peak in Austria, one quarter of the population would opt for an exit from the Union, EU issues, particularly technical ones, have had a low representation in the media, let alone to be taken up by the two coalition parties, which dominate the political discourse.

However, commentators in the print media have pointed to the need of reforms concerning revenues. The fact that the EU's own resources are rather limited and that agricultural customs duties which used to represent the major part of the EU budget have systematically decreased and have been replaced by national contributions has increased the sensitivity for discussions based on national interests. Therefore, commentators in the media have suggested the replacement of existing sources through the introduction of EU taxes. The coordinated taxation of yet tax-free financial transactions or aviation gasoline, all together areas where national taxation has limited access due to the interconnectedness on the European level would not only create a new revenue but also a means to direct and control on a European level. This could also be used in order to contain environmental damages in a European dimension.

A highly discussed issue in this context have been the European Commission's targets for the reduction of CO2 emissions. Austria as one of the wealthier member states has been obliged to reduce its emissions and to increase the percentage of renewable energy.

With regard to EU spending, the Austrian government, and above all the chancellor, has repeatedly emphasised that Austria's priorities lie in the field of social and climate protection.

## Budget review

**Bulgaria\*****Debate is slowly starting**

EU affairs attract strong attention in Bulgaria one year after the accession of the country to the Union. But this is not the case in relation to

reforms that are needed for the European Union itself in order to deepen the integration process and to respond to the new challenges such as globalisation and climate change. The same applies to the need of reform of the EU budget.

At this point in time there is no strong debate in the country in relation to the Commission Communication consultation paper on reforming the budget with respect to the 2008/2009 budget review. The Commission document<sup>785</sup> has not even been published by a vast majority of the specialised portals on EU affairs in the country. Neither did it provoke a substantial debate in the academic and research circles.

One of the major reasons for this fact is that the Bulgarian society is focused on other economic topics that are related to Bulgaria's EU membership. The main issue that is discussed is the increase of inflation pressures in the country due to EU accession. According to a recent survey<sup>786</sup> published by Alpha Research – a leading marketing and social research agency in Bulgaria, public opinion considers price rises as the major negative effect from EU membership (54% of respondents).

Another topic that attracts strong attention in the country is the opportunities for absorbing funds from the EU budget. A special portal has been established by the Ministry of Finance in order to disseminate information on EU Structural Funds and the Operational Programmes of Bulgaria.<sup>787</sup> The other web portals in Bulgaria have also special sections in relation to the funds from the EU budget.

One of the first topics that have attracted to some extent public attention in relation to the EU budget challenges have been the discussions for the adoption of the Financial Framework 2007-2013. They mentioned some of the major debates in negotiations on the Financial Framework – the distribution of funds from the budget to creating new jobs and

<sup>785</sup> "Reforming the Budget, Changing Europe. A Public Consultation Paper in View of the 2008/2009 Budget Review", Communication from the Commission, Brussels, 12.9.2007, SEC(2007) 1188 final.

<sup>786</sup> "One Year from the Membership of Bulgaria in the EU", Alpha Research, published on 19.12.2007 and available at:

[http://www.aresearch.org/userfiles/file/EU\\_Presentation\\_fin\\_al.pdf](http://www.aresearch.org/userfiles/file/EU_Presentation_fin_al.pdf), accessed on: 5.01.2008.

<sup>787</sup> The address of this portal is: <http://www.eufunds.bg/>, accessed on: 5.01.2008.

\* Austrian Institute of International Affairs.

\* Bulgarian European Community Studies Association.

competitiveness rather than to spending money for the Common Agricultural Policy; the corrections that are requested by some of the Member States and others.<sup>788</sup> These debates were also considered from the perspective of the possible postponement of the Bulgarian accession in case of failure of those negotiations.

One of the major debates in the Bulgarian forums and media has been provoked by the idea to introduce new tax for sending SMS and e-mails in order to ensure resources for the EU budget.<sup>789</sup> Although this idea has been just one of the ideas that have been largely discussed in the EU, including the introduction of a special tax to the airplane tickets, it has been presented in the Bulgarian media as almost decided, which provoked some negative comments in the Internet forums in the country.

However, the debate for the future shape of the EU budget starts slowly to be present in the Bulgarian media and non-governmental organisations. The blog for economic policy of Georgi Angelov and Svetla Kostadinova has published some comments on the expenditure for agriculture from the EU budget. It has published also the graphic on expenditure structure 1988-2013 from the Commission Communication on reforming the EU budget as well as a link to the Commission document.<sup>790</sup>

The Bulgarian media and webportals, in contrast to the other aspects of the reform of the EU budget, have published more extensive information on the Commission Communication for streamlining and further modernising the European Union's Common

Agricultural Policy.<sup>791</sup> They explain the main reasons behind the publication of this Commission documents, the most important questions that have been asked in relation to the reform of the Common Agricultural Policy as well as the link between the reform of this policy and the EU budget review considerations.<sup>792</sup> The Commission Communication has been even published on the website of the Bulgarian Parliament.<sup>793</sup>

It is interesting to note that the need of reforms of the EU budget did not provoke strong interest even during the first elections for the Members of the European Parliament in Bulgaria held in May 2007. As in many other EU Member States, the debates in relation to those elections have been focused very often on domestic issues or European issues that have more direct impact on domestic problems.

It should be, however, pointed out that the need of reforms of the EU budget has been included in one of the platforms of the parties in relation to the European Parliament elections in May 2007. According to the platform of the European socialists that has been published on 16.04.2007, one of the five main priorities of the Bulgarian candidates for the development of the European Union from this party is to "reform the budget of the EU for better allocation of the resources".<sup>794</sup>

Bulgarian academic circles have also started the debate on the shape and the need of reform of the EU budget. One of the recent publications of the Bulgarian European Community Studies Association (BECSA) also focuses on this subject. The article is part of a larger BECSA publication on "Incorporating Bulgaria in the European Union Economy" that has been published with the financial support of the Ministry of Foreign Affairs of the

<sup>788</sup> Some of the articles that have been published in relation to the adoption of the Financial Framework 2007-2013 are: "EU strengthen the battle for 1025 billion euro for the budget 2007-2013" published at:

<http://www.mediapool.bg/show/?storyid=9227>, accessed on: 5.01.2008; "London tries to revive the negotiations on the EU budget" published at: [http://evroportal.bg/article\\_view.php?id=728331](http://evroportal.bg/article_view.php?id=728331), accessed on: 5.01.2008.

<sup>789</sup> Some of the articles that discuss this suggestion are "Europe ties its budget with tax on SMS and e-mails" published at: <http://www.segabg.com/online/article.asp?issueid=2270&sectionid=16&id=0000101>, accessed on: 5.01.2008; "EU considers the introduction of tax in relation to the SMS and the e-mails", published at: <http://www.mediapool.bg/show/?storyid=117665>, accessed on: 5.01.2008.

<sup>790</sup> The article compares the spending for agriculture in US, Canada, EU, Japan and Korea and is published at: <http://ikonomika.org/?p=818>, accessed on: 5.01.2008.

<sup>791</sup> "Preparing for the 'Health Check' of the CAP reform", Communication from the Commission, Brussels, 20.11.2007, COM(2007) 722 final.

<sup>792</sup> Some of the articles in relation to the "Health Check" of the CAP are: "Health Check for rationalising the Common Agricultural Policy", published at: <http://www.europe.bg/htmls/page.php?category=5&id=11093>, accessed on: 5.01.2008; "Modernising the Common Agricultural Policy of the European Union", published at: [http://selo.bg/rubnews\\_details.php?id=1067&cat=others&lang=bg](http://selo.bg/rubnews_details.php?id=1067&cat=others&lang=bg), accessed on: 5.01.2008.

<sup>793</sup> The Communication is published at: [http://www.parliament.bg/pub/ECD/COM\\_2007\\_722\\_BG\\_ACTE\\_f.pdf](http://www.parliament.bg/pub/ECD/COM_2007_722_BG_ACTE_f.pdf), accessed on: 5.01.2008.

<sup>794</sup> "The Platform of the European Socialists has been adopted", published at different websites, including at: <http://www.europe.bg/htmls/page.php?id=7983&category=338>, accessed on: 5.01.2008.

Republic of Bulgaria. The article is titled "Bulgaria's Participation in the Revenues and Expenditures Parts of the EU Budget" and describes the budget of the EU as well as the need of reforms in relation to the enlargement of the Union. The author of the article – Dr. Tatiana Hubenova<sup>795</sup>, highlights the problems of the reforms of the EU budget and its consequences on the state budget of Bulgaria as the most important issue for discussion. The article describes also the main aspects of the Bulgarian participation in the EU budget.<sup>796</sup>

The debate on the reforms of the EU budget has been put also on the Bulgarian government agenda. The Bulgarian position on this priority issue is planned to be included in the Annual Programme for 2008 for the Participation by the Republic of Bulgaria in the Process of Decision-Making of the European Union. The Annual Programme is elaborated within the Bulgarian EU affairs coordination mechanism and will be approved by a Council of Ministers decision and afterwards submitted to the National Parliament.<sup>797</sup>

The Bulgarian public opinion on the EU budget is shaped also by other topics that are related to the issue. One of these topics is the impact of the EU budget on the state budget in Bulgaria. One of the most detailed analyses on this subject has been published by the Open Society Institute in Sofia and has been presented on a press conference.<sup>798</sup> The study analyses the economic effects of the Structural and Cohesion Funds of the EU, the implications and the risks for the Bulgarian state budget that are linked to the EU budget, the Bulgarian participation in the EU budget and others.

The adoption of the EU budget for 2008 has also attracted some attention in the Bulgarian media. The final adoption of the budget has been presented with short information,

<sup>795</sup> Tatiana Hubenova is Senior Research Fellow, Ph.D in International Economics and Finance as well as Member of the Managing Board of BECSA.

<sup>796</sup> "Bulgaria's Participation in the Revenues and Expenditures Parts of the EU Budget", Dr. Tatiana Hubenova, published in "Incorporating Bulgaria in the European Union Economy", Bulgarian European Community Studies Association, November 2007, p. 126-158.

<sup>797</sup> "Annual Programme for 2008 for the Participation by the Republic of Bulgaria in the Process of Decision-Making of the European Union", to be adopted and published.

<sup>798</sup> "Effects on the Membership in the EU on the State Budget in Bulgaria for 2007", Latchezar Bogdanov and Georgi Angelov, Open Society Institute, Sofia, December 2006 and March 2007.

highlighting some of the main figures of the budget as well as the German opposition in relation to different aspects of the budget.<sup>799</sup>

The reform of the EU budget is one of the main issues that are currently discussed at the EU level. This important topic for the future reforms of the EU has attracted little attention in the Bulgarian media. Discussions are not frequent, with some exceptions, and are concentrated on very specific issues such as the future policy priorities, the correction mechanisms and the proposals for EU tax.

It should be, however, stated that the discussion on the need of reforms of the EU budget has started to be more and more present on the media and the debates that are announced by non-governmental organisations. The issue is also under consideration by the Bulgarian Government. There is a need to focus the debate on the reforms on the EU budget on more concrete and specific issues in order to elaborate the position of the public opinion as well as the official Bulgarian position on those issues.

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## Budget review

### Croatia\*

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#### Accession discourse prevails in Croatia when discussing future EU Budget

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Most of the issues related to the EU Budget are perceived mainly through the accession discourse in Croatia. That means that the attention is focused to a great extent on the possibilities of withdrawing potential EU funding from the pre-accession funds (IPA) to support the structural reforms of Croatia in the pre-accession period.<sup>800</sup> The other area of interest of Croatian experts and public is the harmonisation of domestic legislation and fiscal policy with the EU and progress of negotiations in this field.

<sup>799</sup> The information for the EU budget for 2008 has been published by different media, including at: [http://business.actualno.com/news\\_135761.htm](http://business.actualno.com/news_135761.htm), accessed on: 5.01.2008.

\* **Institute for International Relations.**

<sup>800</sup> According to the Central Office for Development Strategy and Coordination of EU Funds, the total amount of the total IPA (Instruments of Pre-Accession Assistance) funding available to Croatia from the EU Budget in the period from 2007-2010 is about 590 million Euro in total, available at [www.strategija.hr](http://www.strategija.hr) last accessed on 15 January 2008. The funding will be available for projects that aim at strengthening infrastructure, environment protection, transport, business environment and economic competition, regional development, employment and education.

Therefore, there is not much substantial debate on the sustainability of the current EU Budget and the need of its thorough reform on which most of the public debate in the EU member states focuses these days, and especially after the Public Consultation Paper was published by the Commission in September 2007.<sup>801</sup> The public debate in the EU is aiming to redefine the budget structure and spending priorities to bring it more in line with the growth and jobs strategy goals and delivery of other EU policy objectives such as social cohesion, structural reforms, environment protection, healthcare, energy and citizens' security etc.

The echoes of the EU debate have been sporadic in Croatian media and statements of Government officials. Some daily papers brought information about initiation of a formal debate in the EU on review of budget rules and means of spending the EU budgetary income.<sup>802</sup> The information was also brought by some of the Croatian portals on EU integration process.<sup>803</sup> As for the fiscal experts and academics, changing the EU Budget spending policies and its reflection on Croatia policy making are discussed more often in their published research; however they have not induced any larger public debate on the issues and have been rather limited to academic and expert circles.<sup>804</sup>

The domestic policy debate on fiscal issues in Croatia is mainly absorbed with the need to further decrease the public spending and the fiscal deficits, although it has already reached the standards of EU member states dictated by the Maastricht's criteria. In this respects Croatia's fiscal health is above some of the new EU member states. According to the preliminary data from Ministry of Finance, the fiscal deficit in 2007 reached planned 2.6% of

<sup>801</sup> "Reforming the Budget, Changing Europe: A Public Consultation Paper in View of the 2008/2009 Budget Review", SEC (2007) 11688 final, EC, Brussels, 12.9.2007.

<sup>802</sup> "Changes in ways of spending the budget money", Vjesnik (Croatian daily), 13 September 2007, p.27.

<sup>803</sup> See also news section at the web-portal ENTEREUROPE, available at: [www.entereurope.hr](http://www.entereurope.hr) last accessed on 15 January 2008.

<sup>804</sup> See for instance: Marina Kesner-Skreb "What to do with Taxes in Croatia? Tax Burden, Taxation and Income, Profit and Property", Newsletter No. 32, Institute of Public Finance, Zagreb, September 2007; Ivana Jovic and Marina Kesner-Skreb: "State aid reform in Croatia", in: Ott, K. (ed): Croatian Accession to the European Union: The Challenges of Participation", Institute of Public Finance, Zagreb, 2007, p. 239-276; Danijela Kulis, "Consumption Taxation: VAT and Excise Taxes, Newsletter No.33, Institute of Public Finance Zagreb, October 2007.

the GDP as a result of restrictive measures aiming to reduce it and introduce more order in fiscal affairs. It is also expected that the budget deficit will continue to decrease also in the 2008-2010 period with a target deficit of 0.6% in 2009 and a first budget surplus of 0,2% in 2010.<sup>805</sup> The announcement of the new old Prime Minister Sanader is that his new Government will work towards the achievement of a goal of total annulment of budget deficit by 2009, a year which is according to him marked for EU accession.<sup>806</sup>

*The shift of EU spending towards research and innovation fully supported*

There are no official positions yet by the Croatian government on the critical issues of EU spending such as the need to further decrease the total spending on Common Agricultural Policy (CAP). However, the Government is aware of the changing political priorities towards growth, employment, security and justice which dictate a profound modernisation of the EU Budget and its ways of financing and spending. The "health check" of many traditional spending areas such as CAP, cohesion policy etc. is more than needed, as they are not sustainable in the future if they remain unchanged. There is, however, a need to follow more closely the developments on these fronts, especially on CAP, as there are quite strong signals that after 2013 there will be a shift of spending on agriculture from EU Budget towards national budgets, most likely through the increase of co-financing from national budgets. The rare comments that appeared in Croatian media have emphasised this idea and pointed out that the EU farmers, especially French ones, should also be more oriented towards the market then towards subsidies from EU or national budgets.<sup>807</sup> Accordingly, the Croatian farmers could not therefore count on the generous subsidies when being a part of the EU.

Although the new member states, especially Poland are openly opposing such proposals, the Croatian policy makers should be aware of effects of this possible change to future Croatian fiscal spending. This is even more important as it is clear that there will be an

<sup>805</sup> Economic and Fiscal Policy Guidelines for 2008-2010, Ministry of Finance, July 2007, p. 49.

<sup>806</sup> The statement of Dr. Ivo Sanader at the main News Programme of the Radio 101, 9 January 2008.

<sup>807</sup> "Through Reforms towards a Profitability of Invested Budget Money in the EU", in Vjesnik, 20 September 2007, p. 24.



increase of budgetary finance to support the agriculture and rural sector in Croatia in the period 2008-2011, at least according to the new Government announcements.<sup>808</sup> However, such appetites would not be in line with current EU trends towards decrease of subsidies.

The other important stumbling issue of the EU Budget over which the member states quarrelled in the past – the British rebate – is not followed with much attention by Croatian media and politicians.

Other future spending priorities that are emphasised in the Consultation Paper such as more spending on science, R&D and innovation in order to increase the EU competitiveness have attracted more attention of Croatian public and are followed more carefully also by media. As stated in the Consultation Paper the transformation to a knowledge and service economy is as profound as the earlier switch from agriculture to industry. Additional attention is paid to the EU capacity to further adjust to structural change and manage its social consequences. The need of investing more government resources into these areas is also fully recognized and supported by Croatian government policy makers.<sup>809</sup>

The Croatian government attempts to incorporate some of these changes into its own policy making for the future, and especially when it comes to fiscal spending perceiving it as a sort of investment for the future, rather than pure cost. In the document "Pre-Accession Economic Policy in 2008-2010", adopted by the Croatian Government in November 2007, it is clearly said that the directions for the fiscal policy in this mid-term period will be supporting functional market economy and increase of economic competitiveness and employment levels.<sup>810</sup> In order to achieve these goals the fiscal policy will support realisation of the following policies:

<sup>808</sup> The new Coalition Government formed on 12 January 2008 plans to increase government support to the agriculture and rural sector to 6 billion HRK. Such requests coming from HDZ Coalition partners Croatian Peasant Party (HSS) and Croatian Social Liberal Party (HSL) have been important part of the official Coalition Agreement.

<sup>809</sup> Strategic Development Framework 2006-2010, Central Office for Development Strategy and Coordination of EU Funds, available at:

<http://www.strategija.hr/Default.aspx?sec=122>, last accessed: 25 January 2008.

<sup>810</sup> Government of Republic Croatia: "Pre-Accession Economic Programme 2008-2010", November 2007, p. 18.

a) more equitable development of all Croatia regions; b) increased support to scientific research and education, especially life-long learning as well as development of a knowledge based society; c) enhancing employment and entrepreneurial levels. These policies seem to closely follow the ideas on which the review of budgetary spending in the EU is based.

#### *EU resources – Croatia's future participation in financing the EU Budget*

The most controversial issue of the EU debate related to the future EU Budget resources – how to improve the current funding – is not discussed much in Croatia and there are no official positions on that matter yet.

Government experts and policy makers are, however, fully aware that the future membership of Croatia in the EU will bring important obligations of contributing funds towards the common EU Budget in a proportion to the domestic GNI (Gross National Income) level. As much as 90% of total EU Budget revenue comes from these resources.

The first cost-benefit analyses of the future membership effects on Croatia, done by the Institute of Economics Zagreb in 2007, have shown that in the first years of membership this will produce significant burden to the national budget.<sup>811</sup> The analyses pointed out that the first three years of the potential membership 2009-2011 will bring significant costs for the Croatian Budget. The total yearly budget contribution is estimated from 501 million Euro in 2009 to 578 million Euro in 2011, while that burden in percents ranges slightly above 1% of the GDP per annum.<sup>812</sup>

Fortunately, the current budget deficit in Croatia is below 3% of GDP, with a projection of decrease to -0.6% in 2009 and a first surplus of 0.2% of GDP in the year 2010, otherwise that would pose a serious problem in terms of complying with Maastricht criteria as is the case with some of the new member states.

As for bringing domestic budget sources and taxation policy in line with the EU system, the negotiations with the EU have shown that Croatia's legislation on VAT and excise duties

<sup>811</sup> "Accession to the EU: Expected Economic Effects", Institute of Economics Zagreb, August 2007, p. 27-37.

<sup>812</sup> "Accession to the EU: Expected Economic Effects", Institute of Economics Zagreb, August 2007, p. 32.



remained only partially aligned with the *acquis* and that more efforts should be put to harmonise them with the EU practice. Deviations are especially related to the zero and reduced VAT rates and scope of exemptions and free zones from the fiscal territory and excise duties on cigarettes.<sup>813</sup>

## Budget review

### Cyprus\*

#### Adoption of Euro dominated debate on EU issues

It bears repeating that, during the period under review, the attention of public opinion, civil society and government in Cyprus was, almost exclusively, focused on the upcoming Presidential elections in February 2008.

Following the release of the European Commission (EC)'s public consultation paper on "Reforming the budget, changing Europe", the EC Delegation in Cyprus organized, on 9 November 2007, an Information Session to present the proposed reform. The Session was attended by the Minister of Finance, the Chairperson of the House of Representative's Committee on Financial and Budgetary Affairs, the Heads of the EC and EP Delegations in Cyprus, representatives from the private sector and Greek and Turkish Cypriot CSOs. The keynote speaker was Mr. Johan Ureel, a senior official from DG Budget, who presented the proposed reform. The event was covered in subsequent days by the local press. In this regard, it should be pointed out that on 18 December 2007, the Cyprus Chamber of Commerce and Industry (CCCI) has produced a 4-page document, submitted to the DG Budget, with its position on the proposed reform. The paper, posted on the following site, [http://ec.europa.eu/budget/reform/issues/read\\_en.htm](http://ec.europa.eu/budget/reform/issues/read_en.htm), covers eleven headings, including "responsiveness of the EU Budget", "balance between the need for stability and flexibility", "policy challenges", "effective application of the European value-added principle", "proper reflection of policy objectives in spending priorities", "transparency and accountability", and concludes with the sentence: "In conclusion, we would like to stress that the E.U. budget should be more reflective of the

E.U. priorities and should be more geared to increasing competitiveness, growth and jobs." Other than that, there seems to have been little interest on this issue in the Cyprus media and public opinion. Rather, the debate on EU-related issues was dominated by the implications of the adoption by Cyprus of Euro on 1 January 2008.

That said, the financial press, and in particular the *Financial Mirror*, last December,<sup>814</sup> covered the adoption of the EU's 2008 budget. In an article entitled "EU budget 2008: biggest share to go on boosting economic growth", there is no reference to the consultation paper but there is an analysis of the 2008 budget by broad spending categories. Quoting Commissioner Dalia Grybauskaite, the article highlights the fact that 45 per cent of the 2008 budget spending will be on measures boosting competitiveness and economic growth. In addition, the article highlights the realignment of spending priorities away from agriculture in favour of investment in research and transport projects, Galileo, the European Institute of Technology, the Structural and Cohesion Funds, and freedom and security programmes.

Regarding the position of the Cypriot Government on issues relating to EU spending and resources, as these are reflected in the consultation paper, the relevant Ministries are currently reviewing the suggested reforms and are finalizing a position paper that will be made available in due course. Nevertheless, from private discussions with officials, the paper is seen more as statement of principles, rather than a blueprint for reform, and as such, the Cyprus government will, in all likelihood, endorse the general principles that drive the reform. There are however, a number of specific issues that need to be explored further, including, on the resources side, the necessity for a more equitable allocation of appropriations based on a more transparent and just "correction mechanism"; while on the expenditure side, there is a need for more flexibility in the CAP which should seek the sustainable development of the Agricultural sector in member states, but also the need to account for the vulnerabilities of the smaller island member states, due to their relative remoteness and vulnerabilities to external shocks.<sup>815</sup>

<sup>813</sup> "Croatia 2007 Progress Report", SEC(2007)1431, EC, Brussels, p. 41.

\* Cyprus Institute for Mediterranean, European and International Studies.

<sup>814</sup> *Financial Mirror*, 13 December 2007.

<sup>815</sup> Interviews with officials of the Ministry of Finance conducted by Professor Andreas Antoniou.

Finally, it is worth noting that during the recent debate on the 2008 budget in Parliament, no reference was made to any of these questions; there were, however, extended (and sometimes heated) debates on issues ranging from Cyprus's economic convergence programme, the Lisbon Agenda, EU's immigration policy, and the adoption of the Euro.

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#### Budget review

### Czech Republic\*

#### Czech debates on the budget: A qualified yes to CAP reform

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The discussion of a budget review has so far not received any larger amount of attention in the Czech Republic. The media interest in the topic has been very low. Yet, there have been some activities and seminars on the topic. In November the NGO "Ano pro Evropu"<sup>816</sup> in cooperation with the Commission's Czech Representation arranged a round table on the issue.

There is consensus across the Czech political spectrum that there is a need for radical changes on the spending side of the budget. The spending overall is argued to be too extensive, especially by the Civic Democrats (ODS), yet proposals that would damage the Czech position are rejected. There is a general agreement among all political parties that the spending on the common agricultural policy (CAP) should be decreased whereas the spending on research and development could even be increased. The CAP is also controversial in the Czech Republic due to the differences in the levels of subsidies paid to farmers in the new member states and the old member states.<sup>817</sup>

The Czech government has, however, expressed negative views concerning the proposal from Commissioner Mariann Fischer Boel about decreasing the subsidies for bigger farmers. The Czech Republic has an agricultural sector dominated by bigger farms,

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\* **Institute of International Relations.**

<sup>816</sup> Yes to Europe, available at:

[http://www.anoproevropu.cz/cs/news/2007\\_11\\_28part2.htm](http://www.anoproevropu.cz/cs/news/2007_11_28part2.htm) (last access: 04.03.2008).

<sup>817</sup> Jan Hrich, Vnitřní trh a ekonomické politiky (The internal market and economic policies), in: Jan Karlas (ed), Jak předsedat Evropské unii? Návrh priorit předsednictví ČR v Radě EU v roce 2009 (How to chair the European Union? Proposed priorities of the Czech Presidency of the EU Council in 2009), forthcoming.

and for this reason, if the proposed measure were to be implemented, analysts estimate that the majority of Czech farmers would lose.<sup>818</sup> Both the Agricultural Association of the Czech Republic and some analysts agree that the reform would be unfavourable to Czech agriculture if implemented.<sup>819</sup> The Czech Minister of Agriculture Petr Gandalovič has argued that the Czech Republic could lose up to 40 percent of the current subsidies if the reform were introduced.<sup>820</sup>

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#### Budget review

### Denmark\*

#### Priorities for sustainable growth and poorest regions

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The European Commission's initiative to review the EU budget is welcomed in Denmark. In recent years, the EU budget has come under significant criticism in Denmark. In particular, the amount spent on agricultural subsidies and the expansion of rebates are regarded as major problems in the current EU budget. The Danish Ministry of Finance is currently working on an official reply to the European Commission suggesting ways in which the budget can be reformed. Therefore, the Danish government has not yet expressed its official position to the Commissions consultation paper 'Reforming the budget, changing Europe'. However, the Danish position on the 2008-budget and the 2007-2013 Financial Framework serve as a good indicator for what can be expected.

It is the Danish parliament's position that:

- Research and education (sustainable growth) of the EU budget should be given a higher priority than the agricultural subsidies (natural resources).
- The structural funds should be targeted at the poorest regions of the Union.

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<sup>818</sup> Velkým farmám chce Brusel vzít dotace (Brussels wants to take subsidies away from big farms), available at: [http://ihned.cz/3-22461380-rozpo%EF8et+eu-000000\\_d-c1](http://ihned.cz/3-22461380-rozpo%EF8et+eu-000000_d-c1) (last access: 04.03.2008).

<sup>819</sup> Brusel chce razantně škrtnout dotace pro velké farmy, ČR je proti (Brussels wants to radically cut subsidies for big farms, the Czech Republic is against it), Czech News Agency, 20 November 2007.

<sup>820</sup> MZe: Krácením dotací pro farmy by ČR ztratila 40 pct přímých plateb (Ministry of Agriculture: The Czech Republic would lose 40 percent of its direct income by a cut in subsidies), Czech News Agency, 22 November 2007.

\* **Danish Institute for International Studies.**

- Rebate arrangements should be abolished.
- An EU-tax should not be introduced.

### *Policy priorities*

The majority of the Danish parties are strongly in favour of introducing more free market measures into the CAP by reduce the EU farm subsidies. Also, major Danish interest organisations, such as the Danish Industries and the agriculture council, would like to see a liberalisation of CAP and a reduction of the farm subsidies<sup>821</sup>. From an economic perspective, Denmark's support to reduce the CAP might be considered illogical as Denmark is one of the main beneficiaries of the EU farm subsidies, whilst also a major contributor to the EU structural funds. Nevertheless, the newly re-elected Danish government has clearly expressed their desire to reduce EU farm subsidies<sup>822</sup>. The Danish Parliament is in favour of prioritizing research and environment on the expense of agriculture. Supporting research, fighting climate change, promoting sustainable energy and fulfilling the Lisbon strategy goals are regarded as the main challenges and priorities of the future EU budgets.

### *EU resources*

The Danish Parliament is against all EU-rebates, including the British rebate. Therefore, the Danish government is also against the rebates given to the Netherlands, Sweden, Germany and Austria in the 2007-2013 Financial Perspectives. The rebates and special provisions are seen as impairing credibility and undermining the fairness and solidarity of the EU budget. In spring, Denmark was among the EU countries submitting a declaration to the EU Council expressing its dissatisfaction with the rebates and special provisions given to specific member states in the period of 2007-2013. "Denmark and [...] regret the new adjustment for specific member states 'for the period of 2007-2013 only' are implemented in such a way that their financing is not shared by all member states. Future changes of EU's resources system should move towards a rule based system for

<sup>821</sup> Landbrugsrådet – Unge landmænd tror ikke på landbrugsstøtten, 1 February 2007, available at: [www.landbrugsraadet.dk](http://www.landbrugsraadet.dk) (last access: 01.02.08).

<sup>822</sup> The Danish Foreign Ministry, available at: [www.um.dk/da/menu/udviklingspolitik/aktuelt/avisenudevikling/artikelbibliotek/udviklingspolitik/dentredievkregeringogyerdensfattigste.htm](http://www.um.dk/da/menu/udviklingspolitik/aktuelt/avisenudevikling/artikelbibliotek/udviklingspolitik/dentredievkregeringogyerdensfattigste.htm) (last access: 23.01.08).

financing the jointly agreed EU expenditures being simple, transparent and without adjustments for specific member states."<sup>823</sup>

Furthermore, the Commission's controversial proposal for a direct tax on all EU citizens has been given a sceptical reception by the Danish government. They are seriously concerned that a new EU-tax would be seen as ceding more power to Brussels. Recent Danish opinion poll shows that 43 percent of Danes are willing to introduce an EU tax if the Danish national tax is equally reduced<sup>824</sup>. This is, however, very unlikely to happen. Also, some Danish politicians and organisations have raised critical voices towards an EU tax. For example, the three Danish liberal MEPs argue that a direct funding system would enable the EU to get away from the current 'unhappy tension' between net contributors to the EU budget and net recipients. Furthermore, 'New Europe' – a Danish centre-left organisation working for a more democratic EU – views the tax as increasing the transparency of EU's budget moving EU closer to its citizens<sup>825</sup>.

### Budget review

#### Estonia\*

#### Towards a future-oriented budget

There has been virtually no public debate on the topic of reforming the EU budget; informed opinions and policy positions are limited to government officials and experts who generally share the view that in its current form, the EU budget is a historical relic. The government's positions are outlined in a document entitled „Estonia's EU-policy 2007-2011."<sup>826</sup> According to this text, Estonia's objective is to create a simple, transparent and exception-free system of budgetary and own resources. The budget must be future-oriented and serve the objective of increasing the competitiveness of member-states. The budget must correspond to the EU's current policy priorities and be based on

<sup>823</sup> The Danish Foreign Ministry, Internal document for the Danish European Parliamentary Committee, 12 April 2007.

<sup>824</sup> Børsen – Danskere åbne for direkte EU-skat, 22 March 2007, available at: <http://borsen.dk/nyhed/106315/> (last access: 23.01.08).

<sup>825</sup> Nyt Europa – Skat, 22 January 2008, available at: [http://www.nyteuropa.org/index.php?option=com\\_content&task=view&id=84&Itemid=275](http://www.nyteuropa.org/index.php?option=com_content&task=view&id=84&Itemid=275) (last access: 23.01.08).

\* **University of Tartu.**

<sup>826</sup> Although the government invited interest groups, NGOs, and the general public to comment on the document before its adoption (and created a web-based forum for this purpose), the document seemed to elicit little interest and participation remained poor.

an analysis of the effectiveness of existing policies. It must support the EU's global role and have added value for EU citizens as well as for the EU as a whole. The system of EU own resources should be made more „simple, transparent, comprehensible and just“; all exceptions (including the UK rebate) should be abolished.<sup>827</sup> One acceptable option would be to finance the EU budget from two components, including the traditional own resources and a payment based on the Gross National Income (GNI). Estonia is ready to discuss alternative sources of revenue such as the EU tax.<sup>828</sup> The EU should strive towards more market-based agricultural production and expenditure on the Common Agricultural Policy should be reduced significantly, especially in light of the recent „positive developments on the world market.“<sup>829</sup> Three priority areas which, according to the Estonian government, should count for a larger share of EU expenditure include the CFSP and external relations, energy infrastructure and research and development activities. Ensuring the effectiveness of regional policy and reducing socio-economic disparities among member-states is also regarded as a key objective.<sup>830</sup>

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#### Budget review

### Finland\*

#### Debate to start in fall 2008

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As comments were asked by the Commission by mid-April 2008 and as the Economic and Financial Affairs Council (ECOFIN) will be likely to handle these issues in March, Finland has not fully concluded its position. The government will decide on its position regarding the financial framework in March. Some elements exist already. These concern the common agricultural policy and the cohesion policy, including the implementation process of the new programs. In addition, as the “health check” is still under way, it is hard to form the final position.<sup>831</sup>

<sup>827</sup> Estonia's EU Policy for 2007-2011, available at: [www.riigikantselei.ee](http://www.riigikantselei.ee) (last access: 04.03.2008).

<sup>828</sup> Ibid.

<sup>829</sup> Speech by Prime Minister Andrus Ansip in the Riigikogu on the European Union policy of the government, 09.10.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

<sup>830</sup> Ibid and Estonia's EU Policy for 2007-2011, available at: [www.riigikantselei.ee](http://www.riigikantselei.ee) (last access: 04.03.2008).

\* Finnish Institute of International Affairs.

<sup>831</sup> Virolainen, Meri, Prime Minister's Office, Phone call, 24.1.2008.

In Finland, the launch event (and so far perhaps the only event) to start the discussion on the budget review consultation was organized in the beginning of November by the Ministry of Finance and the European Commission Representation Office. The current budget allocates 350 billion euros to cohesion policy and 85 billion to improve the competitiveness of the EU. The Minister of Public Administration and Local Government, Mari Kiviniemi, has stated that Finland should reconsider this current emphasis, where 80% goes to solidarity and cohesion and only 20% to competitiveness.

After the big enlargement in 2004, the situation has changed a lot regarding the need for cohesion support and thus the priorities could be reconsidered. In addition, 80% of the “natural resources” category support goes to agricultural subsidies and only 20% to development of rural areas. The latter should be the more modern side of the EU's agricultural policies, but so far it has not been taken into account while allocating the resources. In the end, equality among the countries is what matters most. The current situation does not fulfil this condition as some countries apply different rules than others.<sup>832</sup>

Debate on the budget review has so far been a silent issue in media. The biggest Finnish Newspaper, Helsingin Sanomat, titled the only relevant article “What to do with billions?”. The article was slightly critical towards the whole consultation process launched by the Commission and stated that this communication has more to do with increasing the recognition of the work done by the Union rather than lack of ideas from the EU-decision makers side. The idea is to increase the citizens' knowledge on EU issues by asking to think about where the money is going. The problem is what will finally be done with the ideas. At the end of the article, it is stated that the budget for the term 2007-2013 is strictly earmarked and thus the ideas, that are to be sent to the Commission, should be extremely extraordinary to reopen these agreements.<sup>833</sup>

<sup>832</sup> Kiviniemi, Mari, Minister of Public Administration and Local Government, Speech, 5.11.2007, available at:

[http://www.vm.fi/vm/fi/03\\_tiedotteet\\_ja\\_puheet/02\\_puheet/20071105Hallin/name.jsp](http://www.vm.fi/vm/fi/03_tiedotteet_ja_puheet/02_puheet/20071105Hallin/name.jsp).

<sup>833</sup> Helsingin Sanomat, Editorial, 20.9.2007.



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 Budget review
 

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 France\*
 

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 Own resources and reform of the CAP
 

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The public consultation launched by the European Commission on September 20<sup>th</sup> 2007 has not received a great deal of media coverage or citizen involvement so far; it appears that the issue has been overshadowed by the Lisbon Treaty debate and ratification mechanism. However, various French institutions – the Parliament, the Senate, and the Economic and Social Committee (CES), for example – have recently released critical reports on the EU budget and have made several proposals for its reform.

*Debates on EU resources*

There is now a large consensus among French state actors (National Assembly, Senate, CES) that the first priority is to reform the resource mechanism. According to the Senate, the European budget “is only a budget by name”, and requires modifications on several levels, starting from its very core, which privileges national contributions over its own resources. This is viewed as an obstacle to a truly autonomous and state-independent budget.<sup>834</sup> The Parliament suggested the creation of a European tax in order to finance specific EU competences. The CES also stated that « from exception to exception, the resource system became opaque and negotiations became closed fields, where 27 carpet-sellers fight to defend their own interests”.<sup>835</sup> The CES suggested creating a unique contribution mechanism: a uniform percentage of each Member State’s gross national income (GNI). This system would have the advantage of being easily understood and transparent to all EU citizens. The Council and Parliament would be responsible for determining the respective tax levels for five-year periods, corresponding to the Commission and Parliament mandate. Within this plan, there would no longer be rebates or modifications concerning the contributions of a Member State. For those countries not in agreement with this plan, an opt-out clause has been suggested. The British rebate is an important issue when discussing

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\* [Centre européen de Sciences Po.](#)

<sup>834</sup> Sénat, Rapport de la Commission des finances sur le projet de loi de finances pour 2008, 22/11/2007.

<sup>835</sup> CES, Quel budget de l’Union Européenne au service de la croissance et de l’emploi?, rapport présenté par M. Georges de la Loyère, 11/2007.

the management of EU resources. The French Secretary of State for European Affairs pointed out that France pays 27% of this rebate and hopes that the “self-resources decision” will pave the way for a reform of the “British check”.<sup>836</sup>

*EU Spending: the future of the CAP*

As far as spending is concerned, the CES believes that it is necessary to “concentrate efforts in areas where the Union is more efficient”, and suggests a focus on seven policies: Common Agricultural Policy (CAP), consumer protection, co-development, knowledge economy, security and defence, environmental protection and infrastructural development. However, French debates on EU spending are specifically focused on the CAP, since France is the biggest recipient of the CAP subsidies. Contrary to his predecessor Jacques Chirac, President Sarkozy declared his readiness to reform the CAP, implying a reduction of the subsidies. He confirmed that this would be a key issue of the upcoming French EU presidency and provoked criticisms from the Socialist Party, which believed that reducing agricultural aid would abandon agriculture to the whims of the market economy.<sup>837</sup> FNSEA, France’s most powerful agricultural union seemed to support Nicolas Sarkozy’s determination to reform the CAP. Finally, the think tank “Notre Europe” expressed its concern that the reforms of the CAP, which will cause it to lose its status as the first budget priority, could also lead to its complete demolition.

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 Budget review
 

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 Germany\*
 

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 Fair burden sharing among member states
 

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The review of the EU budget has not received much public attention in Germany so far. The German government is currently preparing its official position on the budget review, which it will probably publish in April 2008<sup>838</sup>.

There has been a first discussion in the Committee ‘Affairs of the European Union’ of

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<sup>836</sup> Auditions du secrétaire d’Etat aux affaires européennes, Jean-Pierre Jouyet, par la Commission des Finances de l’Assemblée nationale, 31/07/2007.

<sup>837</sup> Communiqué de presse du Parti socialiste, 11/09/2007.

\* [Institute for European Politics.](#)

<sup>838</sup> Cf. Andreas Kißler: BMF will Veränderungen an EU-Eigenmittelsystem, in: Dow Jones Newswires, 18 January 2008.



the German Parliament in November 2007<sup>839</sup> and, for example, a first meeting of civil society organisations organized by the European Movement Germany, the European Commission and the German Foreign Office in January 2008<sup>840</sup>.

Even though the debate is just beginning in Germany, it seems clear that the issue of Germany being one of the big 'net payers' will remain an important topic. It is, for example, perceived as unfair that while the GDP per inhabitant (in purchasing power standards) in Germany is only 14 percent above the EU-27 average<sup>841</sup>, Germany is one of the four biggest net contributors in the EU<sup>842</sup>. The German position has always been that there should be a fair burden sharing among the member states<sup>843</sup>. In 2003, the then German Chancellor Gerhard Schröder proposed together with five other heads of government (Austria, France, the Netherlands, Sweden, and the UK) to limit the expenditure to 1 per cent of the EU-GNI<sup>844</sup>. In the coalition agreement, the current German government further underlined that Germany

should not pay more than 1 per cent of its GNI to the EU and favoured the introduction of a correction mechanism<sup>845</sup>. The recent Council decision on the system of own resources from June 2007 can be regarded as a first step in this direction, as it includes mechanisms for the four biggest net payers Austria, Germany, the Netherlands and Sweden to reduce their part of the VAT resource<sup>846</sup>. This would mean for Germany to pay 23 billions in 2008 – 900 million less than according to current rules<sup>847</sup>.

With regard to the review process, the German Ministry of Finance had asked experts to review the financing of the EU budget<sup>848</sup>. In their study, the experts suggest to phase out the VAT-based resource, to rely, beside the 'Traditional Own Resources', only on the GNI-based resource, and to introduce a general, but limited correction mechanism<sup>849</sup>. In their view, an EU tax would not solve any of the current problems, as it would create, for example, redistributive effects via the revenue side making new compensatory mechanisms

<sup>839</sup> German Parliament, Committee 'Affairs of the European Union', 45th Session, 14 November 2007.

<sup>840</sup> The Network European Movement Germany organized together with the European Commission and the German Foreign Office an EU-Analysis on the review of the EU budget. The event took place in Berlin on 25 January 2008. More than 60 representatives of various civil society organisations discussed the EU budget with Stefan Lehner, Director: Own Resources, Evaluation and Financial Programming (European Commission, DG Budget), and Professor Pascal Hector, head of division E04: Financial Perspective, EU finances and budget (German Foreign Office).

<sup>841</sup> For the data see Eurostat: GDP per inhabitant in purchasing power standards. GDP per inhabitant in the Member States ranged from 37% to 280% of the EU27 average in 2006, news release 179/2007, 17 December 2007.

<sup>842</sup> Cf. Esslinger Zeitung: Deutschland zahlt zu viel an die EU. Europa-Minister Stächele fordert umfassende Reform der Finanzen, 7 January 2008. CSU-group in the German Parliament: Leitlinien für die Überprüfung des EU-Finanzsystems. Beschluss der XXXII. Klausurtagung der CSU-Landesgruppe im Deutschen Bundestag vom 07.-09. Januar 2008 in Wildbad Kreuth, 9 January 2008, available at: [http://www.csu-landesgruppe.de/Titel\\_XXXII\\_Klausurtagung\\_in\\_Wildbad\\_Kreuth/TabID\\_55/SubTabID\\_86/InhaltTypID\\_3/InhaltID\\_8548/Reden.aspx](http://www.csu-landesgruppe.de/Titel_XXXII_Klausurtagung_in_Wildbad_Kreuth/TabID_55/SubTabID_86/InhaltTypID_3/InhaltID_8548/Reden.aspx) (last access: 8 February 2008).

<sup>843</sup> Institute for European Politics: Germany, in: Institute for European Politics (Ed.): EU-25 Watch, No. 2, January 2006, Berlin, available at: [http://www.iep-berlin.de/fileadmin/website/09\\_Publikationen/EU\\_Watch/EU-25\\_Watch-No2.pdf](http://www.iep-berlin.de/fileadmin/website/09_Publikationen/EU_Watch/EU-25_Watch-No2.pdf) (last access: 8 February 2008), pp. 157-158.

<sup>844</sup> Institute for European Politics: Germany, in: Institute for European Politics (Ed.): EU-25 Watch, No. 1, December 2004, Berlin, available at: [http://www.iep-berlin.de/fileadmin/website/09\\_Publikationen/EU\\_Watch/EU-25\\_Watch.pdf](http://www.iep-berlin.de/fileadmin/website/09_Publikationen/EU_Watch/EU-25_Watch.pdf) (last access: 8 February 2008), pp. 149-151.

<sup>845</sup> Koalitionsvertrag von CDU, CSU und SPD: Gemeinsam für Deutschland. Mit Mut und Menschlichkeit, 11 November 2005, available at: [http://koalitionsvertrag.spd.de/servlet/PB/show/1645854/111105\\_Koalitionsvertrag.pdf](http://koalitionsvertrag.spd.de/servlet/PB/show/1645854/111105_Koalitionsvertrag.pdf) (last access: 8 February 2008), p. 150.

<sup>846</sup> Cf. article 2 of the Council Decision of 7 June 2007 on the system of the European Communities' own resources (2007/436/EC, Euratom), in: Official Journal of the European Union, No. L 163, 23 June 2007, available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:163:0017:0021:EN:PDF> (last access: 8 February 2008), p. 19.

<sup>847</sup> Cf. German Parliament: Gesetzentwurf der Bundesregierung: Entwurf eines Gesetzes zu dem Beschluss des Rates vom 7. Juni über das System der Eigenmittel der Europäischen Gemeinschaften, Drucksache 16/7686, 8 January 2008, available at: <http://dip21.bundestag.de/dip21/btd/16/076/1607686.pdf> (last access: 8 February 2008). See also German Parliament: Geändertes Eigenmittelsystem der EU in deutsches Recht übernehmen, hib-Meldung (heute im Bundestag), No. 008/2008, 14 January 2008, available at: [http://www.bundestag.de/aktuell/hib/2008/2008\\_008/02.htm](http://www.bundestag.de/aktuell/hib/2008/2008_008/02.htm) (last access: 8 February 2008).

<sup>848</sup> German Ministry of Finance: Reformvorschläge für die zukünftige Ausgestaltung der Finanzierung des EU-Haushalts. ZEW- Gutachten bezieht klare Position gegen EU-Steuer, 18 January 2008, available at: [http://www.bundesfinanzministerium.de/cln\\_01/lang\\_de/nn\\_1306/DE/Aktuelles/092.html](http://www.bundesfinanzministerium.de/cln_01/lang_de/nn_1306/DE/Aktuelles/092.html) (last access: 8 February 2008).

<sup>849</sup> Friedrich Heinemann, Philipp Mohl, Steffen Osterloh: Reformoptionen für das EU-Eigenmittelsystem. Zusammenfassung und Kurzfassung, Forschungsauftrag Nr. 8/06 des Bundesministeriums der Finanzen, Zentrum für Europäische Wirtschaftsforschung, 18 January 2008, available at: [http://www.bundesfinanzministerium.de/cln\\_01/lang\\_de/nn\\_1306/DE/Aktuelles/092a.templateId=raw.property=publicationFile.pdf](http://www.bundesfinanzministerium.de/cln_01/lang_de/nn_1306/DE/Aktuelles/092a.templateId=raw.property=publicationFile.pdf) (last access: 8 February 2008).

necessary<sup>850</sup>. Their position is to some extent supported by the German Ministry of Finance and has got some media attention<sup>851</sup>.

It is interesting to note that the CSU-group in the German Parliament demands similar measures in its resolution and explicitly supports the proposal<sup>852</sup>, while the SPD, in its political programme, advocates less transfers from national budgets and the development of an independent resource in the long-term<sup>853</sup>. Some Green MPs suggest to increase the 'Traditional Own Resources' by revenues from emission trading, harmonised gasoline taxes and corporate taxes, and to reduce the GNI-based resource<sup>854</sup>. The liberals, on the other hand, propose an orientation on economic power – the gross national income – and reject the introduction of any EU tax<sup>855</sup>.

<sup>850</sup> See also Steffen Osterloh, Friedrich Heinemann, Philipp Mohl: The EU tax revisited: Should there be one? And will there be one?, EU-Consent EU-Budget Working Paper No. 6, February 2008, available at: [http://www.eu-consent.net/library/papers/EU-Budget\\_wp6.pdf](http://www.eu-consent.net/library/papers/EU-Budget_wp6.pdf) (last access: 8 February 2008).

<sup>851</sup> See, for example, Sven Afhüppe: Regierung lehnt eine eigene EU-Steuer ab, in: Handelsblatt, 21 January 2008, available at:

<http://www.handelsblatt.com/news/pv/p/200051/t/ft/b/1379818/default.aspx/index.html> (last access: 8 February 2008); or Financial Times Deutschland: Finanzministerium stellt sich gegen EU-Steuer, 18 January 2008, available at: <http://www.ftd.de/politik/europa/305286.html?nv=cd-rss220> (last access: 8 February 2008).

<sup>852</sup> CSU-group in the German Parliament: Leitlinien für die Überprüfung des EU-Finanzsystems. Beschluss der XXXII. Klausurtagung der CSU-Landesgruppe im Deutschen Bundestag vom 07.-09. Januar 2008 in Wildbad Kreuth, 9 January 2008, available at: [http://www.csu-landesgruppe.de/Titel\\_XXXII\\_Klausurtagung\\_in\\_Wildbad\\_Kreuth/TabID\\_55/SubTabID\\_86/InhaltTypID\\_3/InhaltID\\_8548/Reden.aspx](http://www.csu-landesgruppe.de/Titel_XXXII_Klausurtagung_in_Wildbad_Kreuth/TabID_55/SubTabID_86/InhaltTypID_3/InhaltID_8548/Reden.aspx) (last access: 8 February 2008). Thomas Silberhorn: ZEW-Gutachten bestätigt unsere Forderungen zur Reform des EU-Finanzsystems, Press Release, 18 January 2008, available under: [http://www.csu-landesgruppe.de/Titel\\_ZEW\\_Gutachten\\_bestaetigt\\_unser\\_e\\_Forderungen/TabID\\_55/SubTabID\\_81/InhaltTypID\\_1/InhaltID\\_8667/Inhalte.aspx](http://www.csu-landesgruppe.de/Titel_ZEW_Gutachten_bestaetigt_unser_e_Forderungen/TabID_55/SubTabID_81/InhaltTypID_1/InhaltID_8667/Inhalte.aspx) (last access: 8 February 2008).

<sup>853</sup> Executive Committee of the SPD (Ed.): Hamburger Programm. Grundsatzprogramm der Sozialdemokratischen Partei Deutschlands. Beschlossen auf dem Hamburger Bundesparteitag der SPD am 28. Oktober 2007, available at: [http://www.parteitag.spd.de/servlet/PB/show/1731523/Hamburger%20Programm\\_final.pdf](http://www.parteitag.spd.de/servlet/PB/show/1731523/Hamburger%20Programm_final.pdf) (last access: 8 February 2008), p. 29.

<sup>854</sup> Anna Lührmann, Gerhard Schick, Rainer Steenblock: Grüne Vorschläge zur Reform der EU-Finzen, Diskussionspapier, January 2007, available at: [http://www2.anna-luehrmann.de/uploads/070115\\_sp\\_luehrmann\\_schick\\_steenblock\\_gruene\\_vorschlaege\\_reform\\_eu\\_finanzierung.pdf](http://www2.anna-luehrmann.de/uploads/070115_sp_luehrmann_schick_steenblock_gruene_vorschlaege_reform_eu_finanzierung.pdf) (last access: 8 February 2008).

<sup>855</sup> See, for example, FDP faction in the German Parliament: LINK: FDP fordert zeitliche Begrenzung von EU-Subventionen, Press release No. 976, 13 September

2007, available at: <http://www.fdp-fraktion.de/files/541/976-Link-EU-Haushalt.pdf> (last access: 8 February 2008). FDP faction in the German Parliament: EU-Haushalt und EU-Finzen, available at: [http://www.fdp-fraktion.de/webcom/show\\_themen\\_abisz\\_neu.php/c-539/nr-149/i.html](http://www.fdp-fraktion.de/webcom/show_themen_abisz_neu.php/c-539/nr-149/i.html) (last access: 8 February 2008).

Some scientists also underline the advantages of orientating the national contributions on the respective affluence of each member state<sup>856</sup>, or favour the abolition of the VAT-based resource and reject the introduction of any form of EU taxes<sup>857</sup>. As outlined in a previous issue of EU-25/27 Watch, the German academia is following closely developments of the EU budget<sup>858</sup>.

Regarding the expenditure, all governing parties – CDU/CSU and SPD – state in their political programmes that the EU budget should, in general, be more future oriented<sup>859</sup>. Yet, at the same time, the government has laid down in its coalition agreement that the agricultural compromise of 2002 should not be called into question<sup>860</sup>. The German Ministry of

2007, available at: <http://www.fdp-fraktion.de/files/541/976-Link-EU-Haushalt.pdf> (last access: 8 February 2008). FDP faction in the German Parliament: EU-Haushalt und EU-Finzen, available at: [http://www.fdp-fraktion.de/webcom/show\\_themen\\_abisz\\_neu.php/c-539/nr-149/i.html](http://www.fdp-fraktion.de/webcom/show_themen_abisz_neu.php/c-539/nr-149/i.html) (last access: 8 February 2008).

<sup>856</sup> Peter Becker: An Early Start for EU Reform. Germany's Options for the 2008/09 Revision of the European Financial Constitution, SWP Research Paper 2007/RP 07, June 2007, p. 26.

<sup>857</sup> Berthold Busch: Stellungnahme zur Konsultationsrunde der Europäischen Kommission zur Überprüfung des EU-Haushalts (2008/2009), Institut der deutschen Wirtschaft Köln, September 2007, available at: [http://ec.europa.eu/budget/reform/library/contributions/ng/20070920\\_NG\\_1.pdf](http://ec.europa.eu/budget/reform/library/contributions/ng/20070920_NG_1.pdf) (last access: 8 February 2008).

<sup>858</sup> See Institute for European Politics: Germany, in: Institute for European Politics (Ed.): EU-25 Watch, No. 2, January 2006, Berlin, available at: [http://www.iep-berlin.de/fileadmin/website/09\\_Publikationen/EU\\_Watch/EU-25\\_Watch-No2.pdf](http://www.iep-berlin.de/fileadmin/website/09_Publikationen/EU_Watch/EU-25_Watch-No2.pdf) (last access: 8 February 2008), p. 158.

<sup>859</sup> CDU: Freiheit und Sicherheit. Grundsätze für Deutschland. Das Grundsatzprogramm. Beschlossen vom 21. Parteitag, Hannover, 3.–4. Dezember 2007, available at: <http://www.grundsatzprogramm.cdu.de/doc/071203-beschluss-grundsatzprogramm-6-navigierbar.pdf> (last access: 8 February 2008), p. 98. Executive Committee of the SPD (Ed.): Hamburger Programm. Grundsatzprogramm der Sozialdemokratischen Partei Deutschlands. Beschlossen auf dem Hamburger Bundesparteitag der SPD am 28. Oktober 2007, available at:

[http://www.parteitag.spd.de/servlet/PB/show/1731523/Hamburger%20Programm\\_final.pdf](http://www.parteitag.spd.de/servlet/PB/show/1731523/Hamburger%20Programm_final.pdf) (last access: 8 February 2008), p. 29. The CSU-group in the German Parliament emphasises in this context the importance of European added value, see: Leitlinien für die Überprüfung des EU-Finanzsystems. Beschluss der XXXII. Klausurtagung der CSU-Landesgruppe im Deutschen Bundestag vom 07.-09. Januar 2008 in Wildbad Kreuth, 9 January 2008, available at: [http://www.csu-landesgruppe.de/Titel\\_XXXII\\_Klausurtagung\\_in\\_Wildbad\\_Kreuth/TabID\\_55/SubTabID\\_86/InhaltTypID\\_3/InhaltID\\_8548/Reden.aspx](http://www.csu-landesgruppe.de/Titel_XXXII_Klausurtagung_in_Wildbad_Kreuth/TabID_55/SubTabID_86/InhaltTypID_3/InhaltID_8548/Reden.aspx) (last access: 8 February 2008).

<sup>860</sup> Koalitionsvertrag von CDU, CSU und SPD: Gemeinsam für Deutschland. Mit Mut und Menschlichkeit, 11 November 2005, available at: <http://koalitionsvertrag.spd.de/servlet/PB/show/1645854/11>

Food, Agriculture and Consumer Protection also emphasises that the current health check of the common agricultural policy should only be a regular check, not a major reform, and especially criticises the proposed cutting of direct payments<sup>861</sup>.

Several German officials underline the importance of a 'realistic' budget review. According to them, it is important to not only list future spending priorities, but also to decide on their order, as the overall amount of the EU budget should not be increased. The approach of 'European added value' seems to be generally supported in this context, yet the difficulty of defining exactly what is meant by it is frequently discussed. While it remains to be seen, what the official position of the German government will be on revenues, expenditure and future spending priorities of the EU budget, it seems obvious that Germany's net contribution and a fair burden sharing among all member states will remain important topics.

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#### Budget review

#### Greece\*

#### "Money comes always handy"

It is impressive how low in the priorities of public debate in Greece one finds nowadays the discussion over the EU budget. Neither the political elites nor the media have brought to the fore the challenges that the budget reform

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[1105\\_Koalitionsvertrag.pdf](#) (last access: 8 February 2008), p. 150.

<sup>861</sup> Parliamentary State Secretary Gerd Müller: Europäische Agrarpolitik und nationale Umsetzung: Vision der Bundesregierung, speech at the 28th International Forum on Agricultural Policy of the Deutsche Bauernverband, 21 January 2008, Berlin, available at: [http://www.bmelv.de/cln\\_044/nn\\_757538/DE/12-Press/Reden/2008/01-21-MUE-EU-](http://www.bmelv.de/cln_044/nn_757538/DE/12-Press/Reden/2008/01-21-MUE-EU-Agrarpolitik.html_nnn=true)

[Agrarpolitik.html\\_nnn=true](#) (last access: 8 February 2008); Andreas Rinke, Peter Thelen, Helmut Hauschild: Seehofer gegen Reform der EU-Agrarpolitik, in: Handelsblatt, 13 July 2007, available at: <http://www.handelsblatt.com/news/Default.aspx?p=200051&t=ft&b=1293807> (last access: 8 February 2008);

agrarrheute.com: Health Check, EU-Mehrheit bremst Umverteilungspläne beim Health Check, 9 February 2008, available at: <http://www.agrarrheute.com/?redid=204948> (last access: 8 February 2008). See also German Parliament: Antwort der Bundesregierung auf die Kleine Anfrage der Abgeordneten Ulrike Höfken, Cornelia Behm, Nicole Maisch, weiterer Abgeordneter und der Fraktion BÜNDNIS 90/DIE GRÜNEN – Drucksache 16/7929 – Position der Bundesregierung zum Health Check der EU-Agrarpolitik, Drucksache 16/8039, 13 February 2008, available at:

<http://djp.bundestag.de/btd/16/080/1608039.pdf> (last access: 29 February 2008).

\* Greek Centre of European Studies and Research.

will bring and the displacement of established priorities it may signify for Greece. Meanwhile the needs and priorities for Greece remain unchanged, i.e. adequate finance for Structural Funds and no scaling-down of the CAP; but for a country that has been instrumental in earlier budget negotiations (one needs only to recall the doubling of Structural Funds financing in the late Eighties and then again in the Nineties), Greece stays this time peculiarly aloof. It would seem that a passive stand, like "money comes always handy", has taken centre stage.

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#### Budget review

#### Hungary\*

#### Support for policy-driven budget

While it is practically unknown to the broader public, the budget review is followed with great interest by policy-makers and academics in Hungary. As for now, there is no clear official Hungarian position regarding the questions to be asked and the answers to be given during the review. However, the outlines of a general approach can already be seen.

Hungary is in favour of a policy-driven budget, and therefore is interested in an agreement on the objectives (corresponding to the policies) of the EU budget. A consensus on EU policies (their fields/scope and their role in the future) is a precondition for such a solution. The budget also needs a stable and satisfactory financing. While Hungary is in favour of reforms which would be in line with what has been said above, its position is that the actual (2008/2009) budget review should not modify the financial framework for the period 2007-2013.

Hungary welcomes a review open for all options, including the revision of existing EU policies and the possibility of thinking about new ones as far as there is need, and also readiness for financing them on the member states' side. New items, however, should not endanger the financing of traditional policies. For Hungary, the continuity and the appropriate financing of EU Cohesion Policy is very important, as this policy is regarded as an important tool to enhance economic growth and to promote employment in the country. Hungary is an important beneficiary of the

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\* Institute for World Economics of the Hungarian Academy of Sciences.

Common Agricultural Policy (CAP) as well. However, it is clear that this policy will be one of the issues in the centre of the debates during the review (also linked to the UK rebate). The Hungarian position is open for potential reform of the CAP (after 2013).

In line with its preference for a policy-driven budget, Hungary is committed to make efforts (together with other member states) to reduce the importance of the “juste retour” approach (based on the net positions of the individual countries vis-à-vis the EU budget). Hungary is against any general correction mechanism or individual correction measure.

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#### Budget review

### Ireland\*

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#### Reviews of budget and CAP on different tracks

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The review of the EU budget has received little attention from civil society or the media. The debate in the Irish media has concentrated so far, on the CAP health check and the potential for cuts in support for farmers. Representatives from the farming community such as the Irish Farmers Association have voiced their opposition to any further reduction.

The Irish government has welcomed the review of the EU budget as an opportunity to examine future EU spending priorities. They largely agree with the line taken by the Commission’s public consultation paper, which envisages no revision of spending under the current Financial Perspective. Any change in CAP or rural development policy, which might be agreed, should only take effect after the current Financial Perspective (i.e., after 2013).

While Ireland no longer is a large-scale recipient of Cohesion Policy funding, the Irish government recognizes the positive role that policy had in Ireland’s recent economic success. As such they are firm supporters of the regional policy and advocate its continuation for the poorer member States.

The need to keep the budget review and the review of the CAP on separate tracks has been highlighted as a government priority. The Minister for Agriculture, Fisheries and Food, Mary Coughlan T.D., said that the CAP Health Check provided an ideal opportunity to reduce

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\* Institute of European Affairs.

the administrative burdens on farmers by simplifying the requirements of the Single Payments System and cross-compliance. The Minister said she had serious concerns about the Commission’s proposal to increase the rate of compulsory modulation. Noting that Ireland had shown its strong commitment to rural development through very substantial national exchequer funding, she said she did not see the merit of supporting rural development at the expense of direct payments to farmers, especially at a time when farmers were still adapting to the impact of decoupling.

Pádraig Walshe, President of the Irish Farmers’ Association, said that the Commission’s modulation proposal would reduce farm income in Ireland by €100 million a year and would hit beef farmers who rely on it. Mr Walshe said the move to payments based on land ownership would penalise farmers in the poorest areas and benefit “hobby farmers” and stud farms.

With regard to the arrangements for financing the budget, the government could support the concept of a generalised correction mechanism provided that the cost is not excessive and that its financial burden is spread fairly. The government would not favour any move away from the current, largely GNI-based, system of national contributions to fund the EU budget. They see the current system as fair and equitable, and feel it has served the EU well and does not require major change. Proposals for an EU-wide tax would not gain too much popular support in Ireland and the government has already voiced its opposition to the measure. What has passed almost unnoticed is that Ireland is now a net contributor to the EU budget. The government is keen that all EU policies deliver value for money though it does not argue for any cuts in spending.

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#### Budget review

### Italy\*

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#### Flexibility on CAP – overall quality of expenditure crucial

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The Italian government started working, at a technical level, on the revision of the EU budget in late 2006. Since spring 2007, a series of coordination meetings have been taking place under the coordination of the Ministry of Foreign Affairs, with the intent to

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\* Istituto Affari Internazionali.



address all the issues concerning the revision process of the EU budget and make proposals to set out the structure and direction of the Union's future spending priorities. The expected outcome is a contribution from the Italian government to the public consultation launched by the European Commission.

#### *Positions on EU spending*

As far as EU spending level is concerned, in general there is a consensus among EU member states to keep it also in the future at the present level. Concerning the breakdown spending, the Common Agricultural Policy (CAP) and the Cohesion Policy make up together the majority of total EU spending: until 2013, i.e. they will absorb about 80% of the EU budget. Funding for other policies – research, transports, energy, environment, external actions, security and immigration – is more limited. According to Italy, it would be desirable to set out the budget in a more balanced way, which would allow for instance the migration policy, European Neighbourhood Policy (ENP), the European Security and Defence Policy (ESDP) missions, the implementation of the Lisbon strategy and possibly actions against climate changes to receive more funds. In any case, Italy favours a gradual approach: for example, even though the CAP expenditure still represents a large share of the budget, it is unthinkable to eliminate the Common Agricultural Policy at once. Italy is convinced that, beyond its important aim of providing farmers with a reasonable standard of living and consumers with quality food at fair prices, this policy has evolved to meet society's changing needs, with important implications for food safety and the preservation of the environment. The Italian government is considering whether to propose the introduction of the co-financing method. Not only would this allow to decrease the amount of the budget reserved to the CAP, but it could also help to re-orient the expenditure toward other areas. However, Italy is aware that other member states are opposed to such a scheme.

According to sources from the Italian government, Italy supports the continuation of Cohesion Policy, because it embodies the principle of solidarity, which is at the core of process of European integration. Italy is the third recipient of Structural Funds after Poland and Spain, but also a net contributor to the EU budget. Therefore, the Italian government is also concerned about how the EU funds are spent, looking at the “quality” of expenditure.

Rome, therefore, is pondering whether to propose parameters aiming at linking the allocation of funds to result-oriented criteria.

The European Commission is concerned about the lack of flexibility of EU financial frameworks. For the European Commission, in fact, even though some spending programmes benefit from continuity, the EU budget should be flexible enough to adapt to changing political circumstances in order to enhance qualitative aspects of EU spending and to enhance EU political responsiveness capability. However, Italy believes that such a flexibility already exists within each financial framework. In addition, for results to be achieved and outcomes to be realised, some policies need a long-term funding commitment.

#### *Positions on EU resources*

As for the British rebate, negotiated by the then prime minister Margaret Thatcher in 1984, as well as all the other rebates won by governments in subsequent budget deals, Italy considers this situation not sustainable in the longer term, as others will in the future ask for a similar rebate (including France and Italy), taking into account the projected dynamics of EU expenditure. To resolve this dilemma, the Commission has proposed a generalised correction mechanism for countries with large net contributions. Provided the EU finds a workable formula, such a mechanism could be a possible solution.

Concerning Own Resources reform, Italy is considering whether a simplification of the system, towards a GNI-based regime, where financing is based on each Member State's relative wealth, would be the best solution. In that case, it would be necessary to phase out all rebates and other special arrangements. Another possibility is the creation of a new own resource of fiscal nature (not a new tax, but a share of an existing national tax, to be devolved to the EU level): for example, the EU rate would be levied as part of the national VAT rate paid by taxpayers. Therefore, citizens would not have to bear an additional tax burden, as the EU rate would be offset by an equivalent decrease in the national VAT rate. Such an approach would create a strong link among EU citizens and the EU budget (which they are financing out of their pockets anyway), possibly prompting also more interest in the way it is spent.



## Budget review

## Latvia\*

**No public debate on EU budget but general support for a reform**

So far there has not been any public debate in Latvia either about the EU Commission's consultation paper on 'Reforming the budget, changing Europe' or more generally about reforming the EU budget. Brief information about the Commission's proposed public consultations is available in Latvian on the Ministry of Finance internet site<sup>862</sup>; however, if more detailed information is sought, then the Ministry directs the reader to the appropriate internet site in English of the Commission. Overviews of the current situation in Brussels concerning the EU budget appeared on 4 April and 26 October 2007 in *Latvijas Vestnesis*, a newspaper that publishes information provided by the government and the laws that have been passed by parliament.<sup>863</sup>

This does not mean, however, that the issue has been ignored in Latvia. Latvia believes that the budget and process of its formation must meet the foreseeable needs and ambitions of the Union and, therefore, supports the idea of a budget reform. Under the leadership of the Ministry of Foreign Affairs, a special working group was established in March 2007, which, based on consultations with all the ministries, has drafted the basic guidelines for Latvia's position on reforming the EU budget. The Cabinet of Ministers is expected to vote on the guidelines on 18 March 2008. As soon as the document is approved, it should be widely available to the general public in Latvia.

The scanty unofficial, preliminary information that is available about the preparation of the guidelines indicates that Latvia believes the drafting of the EU budget and the budget itself must reflect the principles of equality, justice, and transparency; in addition, the budget should be easily administered and formulated

\* **Latvian Institute of International Affairs.**

<sup>862</sup> See „ES vispārējā budžeta reforma”, available at: <http://www.fm.gov.lv/page.php?id=3926> (last access: 18.03.2008).

<sup>863</sup> See [http://www.leta.lv/archive\\_item.php?id=2C9EAEFC-66BC-44C6-8D1C-B3EB8243EB4B&phase=ES+bud%C5%BEets&sd=1&sm=1&sy=2007&ed=8&em=3&ey=2008&t\[\]=t0&t\[\]=t1&t\[\]=t2&t\[\]=t10&t\[\]=t3&t\[\]=t6&t\[\]=t5&t\[\]=t4&t\[\]=t7&more=true&moreid=2](http://www.leta.lv/archive_item.php?id=2C9EAEFC-66BC-44C6-8D1C-B3EB8243EB4B&phase=ES+bud%C5%BEets&sd=1&sm=1&sy=2007&ed=8&em=3&ey=2008&t[]=t0&t[]=t1&t[]=t2&t[]=t10&t[]=t3&t[]=t6&t[]=t5&t[]=t4&t[]=t7&more=true&moreid=2) (last access: 18.03.2008). In addition, brief reports about the endeavour were published by the daily *Diena* on 13 September 2007 and the news agency LETA on 15 October 2007.

so that the general components are readily visible and understandable by the public. Concerning the Common Agricultural Policy, it must be updated to meet interests of both the older and newer members of the Union. Furthermore, support should be given for putting the land to use, rather than simply letting it lie fallow. As for resources, how they are allocated should be considered in terms of the added value they are likely to provide.

## Budget review

## Lithuania\*

**Discussions get started**

*The future EU budget is deliberated in public discussions*

Different discussions are held in Lithuania to deliberate various issues related with the European Union budget review. The Ministry of Finance has taken an initiative to organize a series of discussions related to the budget reform called “Let's review the EU budget and let's change Europe”. The Ministry of Finances is the institution, which will have to prepare Lithuanian position on the budget review, therefore the goal of the discussions is to deliberate the topicalities of the different EU policies, to distinguish the Lithuanian priorities and to evaluate the need for the financing from the EU budget for different fields after 2013<sup>864</sup>. The discussions involve such subjects as the competitiveness of the EU, the security of the citizens in the enlarged EU, the most important social challenges, the use of the structural fund support, the Europe tax, the future of the agriculture in the EU. The President institution also held several events on the budget review, which were aimed to share the positions and to help to form a common position on this issue.

A study on the impact of the EU budget review was issued in Lithuania. The study provides different potential scenarios of the EU budget review and indicates the most favourable scenario for Lithuania<sup>865</sup>. Lithuanian President

\* **Institute of International Relations and Political Science, Vilnius University.**

<sup>864</sup> Lietuvoje tęsiasi diskusijos dėl ES biudžeto ateities (Discussions on the future of the EU budget are continuing in Lithuania), news agency ELTA, December 3, 2007, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2164/>.

<sup>865</sup> Prezidentas diskutuos Europos Sąjungos biudžeto reformos klausimu (The President will discuss the European Union budget reform), press release of the

Valdas Adamkus expressed his belief that the completed study will make the discussions on the budget review in Lithuania even more intensive<sup>866</sup>.

#### *The potential priorities of the EU budget*

Lithuanian President Valdas Adamkus declared that the attention first of all should be paid to financing the value added projects related with the increase of the EU role in the world and in the region. He added that it is necessary to achieve that the common market would be distorted as little as possible. In this field a special attention should be concentrated on the reform of the common agricultural policy, because the future EU budget basically depends on this factor<sup>867</sup>.

### Budget review

#### Luxembourg\*

#### No deep cuts in the CAP budget

In 2008, the largest part of the EU budget will go into measures to boost economic growth and greater cohesion in the Union. The Luxembourg government totally approves this policy defined by the European Commission. It is ready to support the commission when it announces to spend more on competitiveness. In fact, the Luxembourg government supports Commissioner Dalia Grybauskaitė's plans to "put long-term economic development at the heart of EU spending." As one of the founding members of the European Community, Luxembourg cannot accept deep cuts in the Common Agricultural Policy (CAP) budget, as its farmers really need the EU income aid. The farmers' income has slightly grown over the last year due to rising food prices, but the farmers' revenue is still far behind the average income of any other Luxembourg resident<sup>868</sup>.

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President institution, November 11, 2007, <http://www.president.lt/lt/news.full/8373>.

<sup>866</sup> Prezidentas ragina ES nares aktyviai bei atvirai diskutuoti įgyvendinant Europos Sąjungos biudžeto reformą (The President stimulates active and open discussion on the implementation of the EU budget reform), press release of the President institution, November 12, 2007,

<http://www.president.lt/lt/news.full/8387>.

<sup>867</sup> Ibid.

\* Centre d'Etudes et de Recherches Européennes  
Robert Schuman.

<sup>868</sup> Première estimation de l'évolution du revenu agricole en 2007 dans les comptes économiques de l'agriculture (CEA): le revenu des facteurs rapporté à la main d'œuvre agricole augmente en 2007 de 16,2% en termes réels par rapport à 2006, 20.12.2007.

Thus, Luxembourg has no interest that CAP funding falls below the 40% rate of EU budget. That a decrease in money has been decided for market related expenditure and direct payments is not a welcomed idea. Luxembourg is very eager, too, to see the Commission increase the budget to protect the environment and fight climate change.

Small countries like Luxembourg do not have a serious impact on inflecting EU budget policy. During the rotating presidency periods, it has the possibility of taking some initiatives. In between these periods, the Grand Duchy is often accused of defending its own privileges.

In the first half of 2005, during the Luxembourg Presidency of the EU, Luxembourg took some initiatives to improve European Union possibilities in crisis management and straightforward reaction. After the tsunami in December 2004, an Action Plan was presented by the Luxembourg Presidency on 31st January 2005. The Commission proposed a series of measures in a communication dated 20th April 2005 that was designed to "enhance the European Union's capability to confront crises and disasters in third countries". The measures put forward aim in particular to heighten the rapidity and response provided by the mechanisms to distribute humanitarian aid in crisis areas, to improve the coherence and co-ordination of national, community and international policies and to strengthen the Community Civil Protection Mechanism by "improving the links between Community programmes and the European Union's civil and military capabilities"<sup>869</sup>.

Luxembourg is often called a tax haven, an accusation Prime Minister Juncker rejects, although Luxembourg has used its veto for years on this sensitive issue. Juncker feels that Luxembourg's role in tax matters was often misunderstood in the past. "Luxembourg is not in favour of unfair tax competition, but tax competition is alright as long as it takes into account all relevant elements and national attitudes. Luxembourg is accused of being a tax paradise, but the United Kingdom, the Netherlands, France, and Germany are tax paradises to a much greater extent than Luxembourg is"<sup>870</sup>.

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<sup>869</sup> Quentin Perret: «The European Union and Crisis Management», The Robert Schuman Foundation, 13.3.2006.

<sup>870</sup> «Bricklaying», 352 Luxembourg news, 20.12.2007.

Juncker describes the 'game of poker' whereby countries seek to hide behind vetos of other member states. Over the savings directive Luxembourg was under the microscope, Juncker admits, for "apparently holding up a dead, but when we (the Luxembourg government) eventually said we would do it, then the world changed and others had to jump out of the woods". Juncker warns: "They will have to jump several times more in the future"<sup>871</sup>.

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#### Budget review

#### Malta\*

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#### More funds for FRONTEX missions

Review of the budget debate has not yet been the subject of wide discussion in Malta. Once the Euro is adopted as Malta's currency in January 2008 perhaps this will trigger wider interest in this debate that is certain to gain momentum during the Slovenian and French EU presidencies of 2008.

When it comes to EU spending priorities Malta would like to see more funds earmarked for FRONTEX missions in the Mediterranean so that a permanent coast guard type mechanism to curb illegal migration activity can be introduced as soon as possible.

Malta does not favour increasing the VAT rate of 18 per cent or introducing an EU tax policy. Instead reform of the CAP should take place which given the higher prices of basic foodstuffs could perhaps be more palatable a prospect during forthcoming discussions on EU budget reform than previously possible.

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#### Budget review

#### Netherlands\*

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#### 'Old for new policies' approach

There is till now no public or political debate in the Netherlands on the issue of the budget review. One of the reasons for that is that as far as there has been public and political debate on EU affairs, this was focused on the reform treaty and the question of ratification:

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<sup>871</sup> Ibid.

\* Mediterranean Academy of Diplomatic Studies, University of Malta.

\* Netherlands Institute of International Relations 'Clingendael'.

through parliament or by referendum (see also chapter 1). A second reason is that the government has not yet published the Dutch position concerning the budget review. This position will be published in Spring and will be a reaction to the European Commission issue paper,<sup>872</sup> which was presented in September 2007.

The general approach of the Dutch government towards the issue of budget reform is clear though on the basis of the Dutch position of the past concerning the EU budget. The Dutch government is in favour of a more transparent and in particular more balanced, i.e. in terms of net payers and recipients, EU budget. In this respect the Netherlands has strongly the idea, which was suggested inter alia by the European Commission, to introduce a general correction mechanism to replace the present very complicated system of country specific corrections of the financial position of individual EU member states. This implies that the British rebate should be abolished and be integrated into such a general scheme. As to the own resources of the EU (i.e. the present system of member states' contributions) the Dutch government of strongly opposed to the idea of a EU tax.

Regarding the expenditures the Dutch government is against an increase of the present EU budget. The Netherlands was one of the group of six member states which during the negotiations on the present financial perspectives wanted to restrict the EU budget to 1% of GNI. This means that if there is a need for higher EU expenditures for specific policies, the financial room to do should be created through reform of the present budget ('old for new policies'). As to the need for further reform, the Dutch government is in favour of reform of the agricultural policy (including co-financing) and of the cohesion policy (restricting this policy to only the poor EU member states). In accordance with the position of old for new policies, this should make it possible to invest more in the Lisbon agenda (technological innovation) and in strengthening the external policies of the EU (ENP and ESDP).

In response to the European Commission issue paper, the Dutch Advisory Council on International Affairs (AIV) has published an advice to the government on the finances of

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<sup>872</sup> Europese Commissie, *De begroting hervormen voor een ander Europa*, Brussel, 12. September 2007.

the EU.<sup>873</sup> The main recommendations of this advice are that the EU finances should be based on the principles of subsidiarity and proportionality, and that there is only reason for EU financial interventions if these policies have a clear added value compared to action on the level of the member states. The Advisory Council too supports a reshuffle of the EU expenditures in favour of the Lisbon goals and of the external policies of the Union. It recommends a further reform of the CAP and cohesion policies (including co-financing). As to the issue of excessive net payers positions the AIV is in favour of a general correction mechanism to replace the present intransparent system of individual corrections. It will, according to the Advisory Council, for the short or mediate term not be feasible to introduce a new system of own resources for the EU based on a EU tax. Yet, in the view of the AIV such a system should be considered as a long-term alternative for the present system. In that case a VAT-related EU tax would be the most appropriate option.

#### Budget review

#### Poland\*

#### Community character of CAP should be maintained

Common Agricultural Policy, which was established by the Rome Treaty is for Poland a key community policy, supporting both agriculture and rural development. Internal and external conditions determine graduate evolution of the CAP. It is necessary to underline that the *health check* of the CAP does not aim to change the fundamentals of the CAP in the present financial period (2007-2013). The results of the health check of the CAP will allow formulating reform directions of CAP after 2013.

It has to be underlined that new member states bear significant social and economical costs in order to adjust to the principles of the CAP being under the low level of the direct payments, and at the same time being submitted to the rules of the internal market and the Community budget payment.

Poland's opinion is that prospective changes of the CAP need to take into account and protect interests of all member states and must be

<sup>873</sup> Adviesraad Internationale Vraagstukken, *De financiën van de Europese Unie*, Den Haag, December 2007.

\* Foundation for European Studies, European Institute.

justified by the actual situation in the agriculture sector in a particular member state. The development of the Common Agricultural Policy should be oriented on sustainable development of rural areas, which should be realised at the Community level, which at the same time would allow building up social and economic cohesion of the EU as a whole. Reform of the CAP should influence dynamic development of the EU, as a significant element of the European value added of the CAP, and adjust European agriculture to cope with global market pressure. These policy guidelines were publicly expressed on the occasion of the meeting of Polish Minister of Agriculture, Marek Sawicki, with his French counterpart, Michel Barnier, which took place on the 29<sup>th</sup> of November 2007.

Poland confirmed its interest in the creation of the joint Permanent Working Group on the Common Agricultural Policy, allowing the two countries to: "speak with one voice where possible"<sup>874</sup>. The Polish Minister stated clearly that: "we have similar opinions, there is great deal of unanimity between us and a need to support each other"<sup>875</sup>.

In reference to the future of the EU budget the need for its change seems understood by main public actors. The budget should reflect the EU policy development, but at the same time the community character of the CAP should be maintained. Poland is clearly against re-nationalisation of the CAP, as it could create the situation that the competition between agricultural producers from different member states will be distorted.

There was no public debate on the future of the EU financial issues. The most clear governmental position comes from the interview of Minister Mikolaj Dowgielewicz, Secretary of State at the Committee for European Integration, published by *Gazeta Wyborcza* on the 10<sup>th</sup> of January 2008<sup>876</sup>. He declared that the Polish position on taxes should be ready by April 2008, as the works on VAT proposals started only recently. The same date was given as the potential time for presentation of Poland's proposal on the future of the EU budget.

<sup>874</sup> Press Conference of Marek Sawicki on the 30<sup>th</sup> of November 2007.

<sup>875</sup> As above.

<sup>876</sup> K. Niklewicz, J. Pawlicki: Interview with Mikolaj Dowgielewicz, 10 January 2008. It is worth notice that M. Dowgielewicz took his function on the 17<sup>th</sup> of December 2007.



## Budget review

**Portugal\*****No real debate so far, general support for Lisbon goals**

The September 2007 Commission consultation paper on 'Reforming the budget, changing Europe' had no visible impact on public debate in Portugal. In fact neither has, so far, the review of the EU budget as such. It is doubtful whether there is a clear perception that the process is now on-going.

The one exception that confirms the rule is by the former EU Commissioner António Vitorino, who remains an influential figure, if voluntarily retired from active politics, and especially attentive to European matters. He points to the Portuguese apparent absence of interest from as early as possible in this matter as a potentially 'fatal distraction' and appeals for a change of attitude in this respect and a proactive engagement. As he makes clear the Lisbon Treaty that has been in the focus of attention may define the generic shape of the EU, but it is the budget that then translates the realm of intention into reality.<sup>877</sup>

We can, however, find references to the main issues at stake in the budget review. Namely, in terms of what should be the spending priorities of the Portuguese state and implicitly of the EU. The CAP was widely perceived in Portugal having rigged against Southern Mediterranean agriculture. The trend in more recent years to move towards a model of promoting rural development rather than intensive production has been welcomed. It is to be expected that Portugal will welcome further changes in that direction and a fall of the relative weight of agriculture in EU expenditure in favour of more dynamic and job-creating areas such as those involving new technologies in line with the Lisbon agenda. This has been the official line during the Portuguese Presidency.

\* Institute for Strategic and International Studies.

<sup>877</sup> António Vitorino, 'Distacções Fatais', *Diário de Notícias* (14.09.2007).

## Budget review

**Romania\*****Preference for status quo**

Apart from posting on the Government's website the Romanian language version of the Commission Communication (and the attending call for consultation) concerning the reform of the EU budget, there have been – as yet – no official acknowledgments of this initiative, let alone articulate views as to what position does Romania intend to take relative to this subject. Echoes in the political opposition and the civil society environment have also been absent.

This leaves us, so far at least, with only circumstantial indications as to what Romania's leanings could be on this matter. Not even these are abundant, but they clearly show a consensus to the effect that the EU-wide implications of a budget reform hold no significant weight relative to the strictly nationally-circumscribed stakes.

A first such evidence is offered by the official reactions and comments relative to the current "financial perspectives", expressed in the midst of the debates and controversies surrounding the 2007-2013 exercise.

At that point, Romanian views were blatantly convergent in highlighting the desire to avert any significant departure from the current redistributive pattern, whereby a vast majority of EU funds are directed towards financing regional development and agricultural policy undertakings. One such view, in particular, bears a significant relevance, as it had been expressed by the current Finance Minister, Mr. Varujan Vosganian, who, in a press article dating from July 2005, designated both a reduction of the Community budget and the restructuring of its composition away from the preponderance of agriculture and regional development chapters as a solution "possibly inadequate" for the needs of the Romanian economy.

The same strong preference for a status quo in terms of structure of the Community budget expenditure, albeit not also in absolute terms (where increases are unambiguously preferred) has been expressed, at least implicitly, in connection with the approval of the 2008 annual EU budget. Thus, in October

\* European Institute of Romania.



2007, Mr. Adrian Severin (leader of the Romanian social democrats enlisted in the European Socialist Party) has addressed written questions to the European Commission, inquiring about the risk of Romania becoming a “net contributor” to the EU budget because of the perceived risk of not being able to fully “absorb” Community funds, thus clearly displaying a national-centred, utilitarian perspective on the *raison d’être* of the Community budget.

The approval, last December, of the 2008 exercise of the EU budget was appreciated by the Romanian MEP Monica Iacob-Ridzi, belonging to an opposition party (PD-L), as a success precisely because it corresponds to what she described as “our [i.e., Romanian] priorities”: infrastructure and regional policy, first and foremost.

#### Budget review

### Slovakia\*

#### Priority interests: Cohesion Policy and CAP

The Slovak government adopted the initial position of the Slovak Republic towards EU budget revision on December 5, 2007. The governmental resolution no. 1022 that was approved as the outcome of the government session on this issue ordered the Minister of Finances to prepare in cooperation with the Minister of Foreign Affairs preliminary standpoint of the Slovak Republic towards the revision of the EU budget by 15 March 2008. According to the initial position, the Slovak Republic should insist on the principle of fairness during the budget revision negotiations. From such a principle, different levels of economic development of EU member states should be taken into account in allocation of EU financial resources.

Regarding the revenue side of the budget, the Slovak government will support simplification of the current system of the EU own resources. The government will support the abolition of the resource based on value added tax mainly because of its administrative burden. The Slovak Republic will also oppose the initiatives to introduce a new tax based resource because such step would require an extensive tax harmonization within the EU that is a rather problematic and politically sensitive issue (for both opposition and coalition parties in Slovakia). Slovakia is also against any forms of

compensation mechanisms. According to initial position, such mechanisms put the imprint of non-equal treatment into the EU budget. “British rebate was introduced during the unfavourable economic situation in the Great Britain which has changed over time and there is no reason for preserving such a rebate.”<sup>878</sup>

Regarding the EU spending, the Slovak government supports the increase of expenditure in the so-called Lisbon policies (enhancement of competitiveness through the support of R&D), even when the R&D area is the one in which Slovakia is lagging behind its European partners<sup>879</sup>.

“The SR [Slovak Republic] considers Cohesion Policy a priority field that brings a high added value to the EU, especially in regard to balancing the regional disparities, enforcement of social cohesion, growth and employment.”<sup>880</sup> For the Slovak Republic the cohesion policy represents the EU budget chapter from which the most resources are coming into the country’s state budget. Therefore in the upcoming debate on reforming the EU regional policy it will be in the Slovak interest to preserve this field as the EU priority and to support such reform of financial allocations that would not harm Slovakia: “Slovakia supports such system of the Cohesion Policy financial resources allocation that will be oriented mainly on less developed member states, not on less developed regions because more developed and richer member states have better conditions and resources to eliminate regional disparities by their own means and mechanisms.”<sup>881</sup>

The second largest amount from the EU to the Slovak budget comes through the Common Agricultural Policy. A long-standing concern of the Slovak farmers is to provide equal conditions at the EU level for all farmers. As

<sup>878</sup> Návrh východísk Slovenskej republiky k revízií rozpočtu EÚ 2008/2009, available at: [http://www.rokovania.sk/app/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/\\$FILE/Zdroj.html](http://www.rokovania.sk/app/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/$FILE/Zdroj.html) (last access: 25.03.2008).

<sup>879</sup> According to European Innovation Scoreboard (coordinated by the European Commission), the Slovak Republic belongs among „trailing countries” at innovation performance. Slovakia is at 21st place out of 35 European countries that participated at Scoreboard survey, 28.09.2007, available at: [www.euractiv.sk](http://www.euractiv.sk) (last access: 25.03.2008).

<sup>880</sup> Návrh východísk Slovenskej republiky k revízií rozpočtu EÚ 2008/2009, available at: [http://www.rokovania.sk/app/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/\\$FILE/Zdroj.html](http://www.rokovania.sk/app/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/$FILE/Zdroj.html) (last access: 25.03.2008).

<sup>881</sup> Ibid.

\* Slovak Foreign Policy Association.

the result of accession negotiations farmers from ten new member states do receive only proportional amount of the so-called direct payments and only in 2013 these payments will be equal for all EU member states. The Slovak MEP Peter Baco (NI) named the CAP as “discriminatory [policy] that has different influence on old member states and new member states”<sup>882</sup> At the same time Baco belongs to one of the CAP experts of the coalition party HZDS-ĽS that controls the country’s Ministry of Agriculture therefore the starting points also include calling for such CAP reform that would “provide the equal starting line for all [EU] farmers and equal conditions for the whole EU.”<sup>883</sup> The Slovak government has not clarified yet its concrete standpoints towards different issues connected with the CAP reform and the resolution no. 1022 called upon the Minister of Agriculture to prepare a consolidated version of Slovakia’s standpoint towards the future CAP reform and rural development reform that would be based on sector analysis.

Regarding the other expenditure chapters of the EU budget (chapter 3-5), Slovakia should not have any special standpoints. The initial position just highlights the Slovak support for extending the eastern dimension of the ENP and underlines a special focus on countries of the Western Balkans and the former Soviet Union as priorities that should be taken into account while revising the EU budget.

Generally speaking, the revision of the EU budget has not received a lot of public interest. According to our assumption, it may draw the attention of political opposition and broader public in the first half of 2008 when the official standpoints of the Slovak Republic are going to be discussed.

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#### Budget review

### Slovenia\*

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#### Debate has yet to begin

In light of extensive preparation of Slovenia’s government to take on the rotating Presidency

<sup>882</sup> Budúcnosť SPP Európskej únie a slovenské záujmy, 22.11.2007, available at: [www.euractiv.sk](http://www.euractiv.sk) (last access: 25.03.2008).

<sup>883</sup> Návrh východísk Slovenskej republiky k revízii rozpočtu EÚ 2008/2009, available at: [http://www.rokovania.sk/appl/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/\\$FILE/Zdroj.html](http://www.rokovania.sk/appl/material.nsf/0/FE1A960FF78F5F01412573A2002A5DA2/$FILE/Zdroj.html) (last access: 25.03.2008).

\* Centre of International Relations.

in the first half of 2008, the budget review – while not being among the priorities – hardly attracted any public statements by the government representatives, civil society activities or media coverage. The Government office for European Affairs, however, appointed a high level expert group to prepare a report on the topic. The so called EU Budget Reform Task Force was convened in November 2006. The task force led by Prof. Dr. Mojmir Mrak consisted of individuals from both the government and the academic sphere involved in various aspects of EU financing. Its mandate was to prepare an analytical basis for budget reform and to define possible reform scenarios on both the expenditure and revenue sides of the EU budget. The open structure of the task force and an open mandate calling for an analysis of dilemmas and preparation of possible financial scenarios was a leading light for the activities that resulted in the report titled “EU Budget Review: An Opportunity for a thorough reform or minor adjustments”.<sup>884</sup> The publication of the report has not spurred any wider debate, but the Government office for European Affairs is planning to structure and lead the debate in the coming months. The discussion in the small expert community, however, is vivid, and mostly taken up by the mentioned report.

#### *Positions on EU spending and EU resources*

As already mentioned above, it is not possible to provide Slovenia’s positions on these issues. All these issues are raised in the above mentioned expert report, which nevertheless will serve as a basis of a wider debate which is yet to follow. The report, however, does not take any definite position on these issues, but presents an analysis and a number of possible scenarios for future financing of the EU budget, its expenditures, including a possibility of a correction mechanism and an introduction of an EU tax.

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#### Budget review

### Spain\*

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#### Issue of net contributions

The review of the EU budget started by the Commission, with a medium- and long term

<sup>884</sup> An executive summary in English is available on the homepage of the Government’s office for European Affairs, [http://www.svez.gov.si/fileadmin/svez.gov.si/pageuploads/docs/pregled\\_proracuna\\_EU/POVZETEK-ANGL-CELOTA-NTC-ALT.pdf](http://www.svez.gov.si/fileadmin/svez.gov.si/pageuploads/docs/pregled_proracuna_EU/POVZETEK-ANGL-CELOTA-NTC-ALT.pdf) (last access: 25 January 2008).

\* Elcano Royal Institute.

horizon, has hardly had any impact in the Spanish general media or the wider public at present. In contrast with the discussion the process has stimulated in member states such as Germany and also in contrast with the vivid debate in Spain itself at the time of the negotiations on the financial perspectives, this deep reform has so far been perceived as a technocratic rather than a political issue. Only certain experts and officials from the central government departments involved (Economy and Finance, Agriculture, EU Affairs and the Permanent Representation) have participated at the initial stage of the review. A government's report on the issue was approved last 28<sup>th</sup> December and an inter-ministerial task force has just been created to coordinate the Spanish position.

Despite the Commission's aim of marking a parallel with the radical reform implied by the Delors I Package in 1987-88 to give effect to the principles of Economic and Social Cohesion articulated in the Single European Act, the Spanish government considers the process as an important one but not necessarily decisive: 'it is not considered a negotiation but just a reflection'.<sup>885</sup>

The reform's importance for Spain has to do with the predicted end of its national position as a net recipient.<sup>886</sup> What the government is trying to avoid is becoming an excessive and unfair contributor after 2014 and it claims that the future model of EU revenues must consider relative wealth. The Spanish government prefers an EU budget that continues to be based on the gross national income of the member states rather than on the EU's own revenues, such as some kind of new direct taxation or a bigger proportion of VAT (a theoretical development that would increase the autonomy of the EU, although it would probably harm Spanish interests and it would have some unfair general effects). The Spanish government proposes a 'fair' convergence of all national contributions to the EU budget of close to 0.8% of GDP.<sup>887</sup> Spain does not support a debate on financial balances among member states and considers

<sup>885</sup> Statement by the Secretary General for the EU, Miguel Ángel Navarro, 21 January 2008.

<sup>886</sup> Spain's contribution to the EU budget in 2006 was around 8.5% of total EU revenues, while expenditure in Spain was close to 12% of total EU spending.

<sup>887</sup> According to the figures presented by the Secretary General for the EU, Miguel Ángel Navarro, as of 21 January 2008 Spain's contribution to the EU budget was close to 0.93% of GDP while the UK's was only 0.54% of GDP.

it a priority to reach an agreement on revenue before discussing expenditure.

Regarding future spending, and considering the difficulties that Spain will face to obtain traditional structural funds in the next financial perspectives, the government will favour – apart from a general strategy of 'value for money' considering the objectives of the reformed EU Treaty – new programs on immigration and, above all, the increase of funds promoting Research and Development to help countries who are attaining the convergence objective to move on to accomplishing the competitiveness objective.

With regard to the future of the CAP, only after the end of the so-called "health check" (planned to start next Autumn under French Presidency), Spain could accept to open a discussion which may entail a certain reorientation of the CAP (which will account for only 33% of total spending for 2013) towards new objectives linked to the environment or rural development. Nonetheless, Spain is currently defending with France and another 10 countries the CAP status quo,<sup>888</sup> rejecting the proposal of the Commission to cut direct subsidies to farmers by 13% for 2013. It must be taken into account that Spain is now the second largest recipient of Agricultural funds (€6.681 million in 2006).<sup>889</sup> However, Spain considers that any CAP reform will be conditional on the end of the British rebate. Spanish government does not want to start the discussion on spending without a previous, or at least parallel, discussion on revenues.

## Budget review

### Sweden\*

#### A modern budget reflecting the real needs of the EU

The Swedish government has a strong interest in the budget review now undertaken and has introduced it as one of the main issues for the upcoming three presidencies of France, the Czech Republic and Sweden.<sup>890</sup> The

<sup>888</sup> EU Council of Agriculture, 21 January 2008.

<sup>889</sup> The Spanish Minister of Agriculture, Elena Espinosa, stated in Brussels on 21 January 2008 that CAP reform must be undertaken only after 'a deep analysis of the impact of proposed reforms on food supply and inflation'.

\* Malmö University/Stockholm International Peace Research Institute.

<sup>890</sup> Speech by Cecilia Malmström, Minister for EU Affairs, at the SIEPS Annual Conference 2007 "The Purse of the European Union: Setting Priorities for the Future", 2007-

background to this is its wish to make considerable changes in the budget. The government is now in the process of answering the questions posed by the European Commission. The Swedish parliament, as well, is dealing with this issue. The work is scheduled to be finished by early April.

The budget reform has aroused little interest in Sweden in spite of the fact that the government has invited NGO's, think tanks, trade unions, interest groups and others to contribute to a debate in the area. One reason for this might be that there is little disagreement in Sweden on the need for budget reform and on the principles on which the EU budget should rest. When the issue is dealt with in the Parliament there is agreement over party lines on the need to hold back on increases, to raise the administrative efficiency and to restructure the budget. This goes also for the population at large which is aware of the fact that Sweden is a net contributor to the EU and sees in particular the CAP as a bad and costly system that should be abolished the sooner the better.

The fundamental principles that should underlie a budget reform are:

1. Subsidiarity, meaning that the Union should act only and insofar as the same objectives cannot be achieved by member states.
2. European added value, meaning that common action should lead to greater benefits than if countries act alone or bilaterally.
3. Proportionality, meaning that the content and form of common action should not exceed what is necessary to achieve its objectives.
4. Sound financial management, meaning that common funds should be used economically, efficiently and effectively.<sup>891</sup>

The Swedish view is that the EU must have a modern budget, reflecting the real needs of the Union and that resources should be concentrated where they generate the highest benefit.

Policy areas that do not contribute to a European added value should be subject to reform and expenditure cuts. The government's view on the CAP is that market price support, including export subsidies

should be phased out completely. It also believes that the remaining production constraints, such as dairy quotas must be eliminated and all agricultural support should be decoupled from production by 2013. The regional policy should also be reformed in terms of composition and volume. The government finds it hard to see that investments financed through the structural funds actually bring European added value in member states and regions where the standard of living is relatively high.<sup>892</sup>

The income side should be based on member states' wealth and be sustainable, transparent and legitimate. However, with an unreformed EU budget, this situation would still lead to a situation in which some member states would receive disproportionate net contributions, whereas other states, such as Sweden, will pay unreasonably high fees. Therefore, the Swedish view is that until the income side is reformed some corrections, rebates etc. are necessary.<sup>893</sup>

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#### Budget review

#### Turkey\*

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#### Review will have implications but is not widely discussed

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The 2008/2009-budget review and the consultation paper published in September 2007 have not so far triggered a major debate across the Turkish public mainly due to reasons mentioned in previous issues. These include (1) the concentration of public interest in EU-Turkey relations and stagnated accession negotiations resulting in limited attention paid to internal EU dynamics and institutional reform, and (2) domestic political issues which occupy the main ground in public discussions. The EU budgetary review has remarkable implications for Turkey in both the short- and long-term, but is not discussed widely by the media and civil society at present. The consultation paper and the launch of the budgetary review were briefly mentioned by a limited number of newspapers and portals, but these did not go beyond reports on the statements made by the Commission President José Manuel Barroso and Commissioner for Financial Programming and

<sup>892</sup> Ibid.

<sup>893</sup> Government bill 2007/08:41 (on the Council decision concerning the system for the financing of the EU budget).  
\* Center for European Studies / Middle East Technical University.

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10-26, available at: <http://regeringen.se> (last access: 04.03.2008).

<sup>891</sup> Ibid.



Budget Dalia Grybauskaitė, and therefore did not generate a lively public discussion. Among the issues covered by the Turkish media, the emphasis on the relationship between previous enlargements and the financial integration capacity of the EU attracted the most attention.<sup>894</sup>

Within rather general assessments of the EU budget, it is noted that budget discussions will affect Turkey in the short-term in terms of its motivation in the negotiation process, as well as in the long-term through its membership to the Union, as it will be one of the poorest countries in terms of GDP per capita. This also implies that the current problems surrounding the EU budget constitute a significant obstacle on the way to Turkey's EU membership, which is not likely to happen unless the EU resolves the issue and proceeds through reforms. The most relevant framework for the discussion on the effects of the EU budget revision on Turkey concentrates on the financial aid the country receives through the Instrument for Pre-accession Assistance (IPA), which is part of the new spending category 'EU as a global player' in the 2007-2013 policy priorities. This framework, it is argued, signals that Turkey will not become a member before 2014. In this respect, while the membership negotiations are expected to be a long process, the importance for Turkey to increase its capacity to utilise the financial aid received by the EU, to direct resources to relevant projects, and to reach sustainable levels of economic growth comparable to EU member states is emphasised.

#### Budget review

#### **United Kingdom\***

#### **No radical reforms expected**

There is no substantial public or political discussion of the forthcoming budget review.

Mr Blair originally presented this review as an opportunity radically to reform the European budget, with potentially beneficial consequences for the underlying position of the United Kingdom as a substantial net payer into the European budget. Mr Blair later became more circumspect in his aspirations, a circumspection echoed by his successor, Mr Brown.

It is difficult to imagine circumstances in which the United Kingdom will be willing under this review to accept any significant worsening of its net payments position with regard to the European budget. Mr Brown is known in addition to be highly doubtful of the general efficacy of European spending and may well press for reductions (or at least reduced increases) in overall levels of European spending, irrespective of the precise implications for the British net level of contribution to the budget.

British public and political opinion is entirely hostile to any European tax and would only be likely to favour co-financing of the Common Agricultural Policy if it led to an overall decline in the level of the European budget or if the reallocated expenditure substantially reduced the quantum of British net payments to the European budget.

British governmental spokesmen have on occasion said that they would favour a reorientation of the European budget towards measures favouring economic reform in the member states. On the British analysis, however, this reorientation should not lead to any significant increase in the overall level of European expenditure, and its impact on the British net budgetary position should not be ignored.

In general, the British Government approaches the budgetary review with the encouraging conviction that on the great majority of budgetary questions apart from the British rebate it has a range of potential allies among the other net contributors to the budget, those who face budgetary stringency in their domestic economies and those who generally doubt the overall efficiency with which European budgetary expenditure is administered.

<sup>894</sup> HaberX, September 14, 2007.

\* [Federal Trust for Education and Research](#).



# 5

## Current issues and discourses in your country

- **Which other topics and discourses are highly salient in your country but not covered by this questionnaire?**

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Current issues

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**Austria\***

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**Enlargement of the Schengen area – security aspects**

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As a bordering country with four of the new members, Austria has been highly affected by the enlargement of the Schengen area. The opening of the borders was accompanied by discussions on its effects on security. There is a widespread fear that the enlargement of the Schengen area might lead to an increase in crime and delinquencies.

Another important issue is the upcoming EURO 2008, the European football championship, and the security measures taken in this context.

However, it has to be said that the enduring disputes between the coalition parties have occupied extensive media coverage.

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Current issues

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**Bulgaria\***

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**Local elections, school teachers' strike and visit of Russian President Putin**

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The most important event from the second half of 2007 was the Bulgarian Local Elections. On the basis of the electoral results it can be argued that there is a new influential political party in Bulgaria – Citizens for European Development of Bulgaria (GERB). Nevertheless, the most significant aspect of these elections was the extremely high level of “electoral corruption” and the use of unfair “techniques” by political parties and independent candidates lead by the desire to participate within the composition in future local authorities.

Another issue that “marked” the second half of 2007 was the school teachers' strike, which continued for almost two months, paralyzing the Bulgarian educational system but not achieving its main goal – considerable improvement of the living conditions of school teachers.

As regards 2008, the most important event has been the visit of the Russian President Mr. Vladimir Putin in January 2008 and the signing

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\* Austrian Institute of International Affairs.

\* Bulgarian European Community Studies Association.

of several agreements between Bulgaria and Russia about future Russian projects in the Bulgarian energy sector. This visit has split Bulgarian society in two parts. One supporting closer relations with Russia and expecting respective economic and political benefits, and the other opposed to the tendency of Bulgaria to question its EU and NATO orientation by establishing so close political and economic relations with Russia.

It is expected that the year 2008 will be a year of significant political manoeuvres (emergence of new political coalitions, new political parties and interest groups etc.) in view of the coming 2009 national and European Parliament elections. It will be interesting to observe if the Bulgarian coalition government will develop future reforms in the key social sectors (public health and education) or if it will freeze these processes in expectation of the elections' outcome.

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Current issues

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**Croatia\***

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**Elections, Ecological and Fisheries Protection Zone, NATO, Pre-Accession funding**

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*1. New Old Croatian Government approved on 12 January 2008*

The Croatian Parliamentary elections that were held on 25<sup>th</sup> November 2007 brought no clear winner with a single majority to form a government. Namely, the ruling party HDZ has won 66 seats of the parliament, while SDP has won 56 seats. In order to form the single majority in the Parliament it was needed to secure 77 seats out of 153 in total.<sup>895</sup> Both parties were hoping to be able to form a Coalition government and after quite a lengthy process of negotiations HDZ succeeded to form a Coalition Government with Croatian Peasants Party (HSS) and Croatian Social Liberal Party (HSL) supported by the national minorities' votes, which got approval by the Croatian Parliament on 12 January 2008. Dr. Ivo Sanader has received his second mandate as a Prime Minister, and many of old Ministers have kept their posts also in the new HDZ Government. The Coalition Agreement

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\* Institute for International Relations.

<sup>895</sup> The official Parliamentary Elections results are available in the Report by the State Elections Committee, published on 22 December 2007 on its public portal: [www.izbori.hr](http://www.izbori.hr), accessed on 21 January 2008. The HDZ received in total 42% of total votes, while the SDP got 37%.

envisaged larger focus of this Government on agricultural and rural development as well as decreasing disparities in regional development.<sup>896</sup>

The last Parliamentary elections in Croatia were characterised mostly by strong personalized campaigns and animosities between the two leaders of the strongest political parties Mr. Zoran Milanovic and Dr Ivo Sanader. Under such circumstances, the campaign brought little discussion about real economic problems, as the whole campaign was centred about two leading figures. The election analysts explained the indecisive election results by disappointment of the electorate body by the campaign and its level and general disappointment in politics.<sup>897</sup> As opposed to the expectations that the political battle will be led over some crucial economic problems (reducing unemployment, offsetting regional disparities, improving taxation system etc.), some marginal issues prevailed (such as extending non-smoking regulations, increasing teaching of religion in schools, changing regulations of work on Sundays etc.).

## 2. Croatian negotiations with EU stumbled upon Ecological and Fisheries Protection Zone in Adriatic Sea

The Ecological and Fisheries Protection Zone (Croatian abbreviation is ZERP) that came into force on 1<sup>st</sup> January 2008, became the main stumbling issue in the recent Croatia-EU Relations. The reactions of Slovenia and Italy that would be most affected by this measure in terms of fishing rights were negative even at the time of adoption of this Act four years ago, although the decision was based on current international legislation and on UN Convention.<sup>898</sup> The first official EU reactions on the enforcement of the Zone indicate that it is expected from Croatia that ZERP would not be applied on the EU member states in

<sup>896</sup> The Programme of the New Croatian Government 2008-2011 (in Croatian) is available at the web portal of the Croatian Government: [http://www.vlada.hr/hr/naslovnica/o\\_vladi\\_rh](http://www.vlada.hr/hr/naslovnica/o_vladi_rh), last accessed on 24 January 2008.

<sup>897</sup> Comments of Prof. Davor Gjenero, Faculty of Political Science at the Croatian Television (HTV), Prime news programme on 27 November 2007. Similar are the comments of Prof. Ivan Siber, Faculty of Political Sciences, in his columns in several dailies at the time of elections (Novi list, Vjesnik).

<sup>898</sup> The Croatian Parliament proclaimed Ecological and Fisheries Protective Zone on the 3rd October 2003 in accordance to the UN Convention on the Law of the Sea, Art. 55 on the proclamation of the exclusive economic zone.

accordance with the agreement from June 2004.<sup>899</sup> The official Slovenian reaction after it took Presidency of the EU were quite direct asking Croatia to immediately abolish ZERP and threatened that this issue might slow down the accession process of Croatia to the EU.<sup>900</sup> Italian Minister of Agriculture Paolo de Castro stated that the new Croatian Government should consider solving the dispute with neighbouring countries Italy and Slovenia with the assistance of the Commission and attempt to find compromise solutions.<sup>901</sup> Official position of the new Croatian Government and President Mesic is that additional effort should be put to find a suitable solution for all sides, but without questioning the Croatian legal right to regulate this issue at the first place as this right was consumed also by many EU member states such as Finland and Spain.<sup>902</sup> Some distinguished legal experts on international Sea legislation such as Dr Davor Vidas, expressed the opinion that the decision on the Zone was well founded on the international legislation and it should not be taken as any sort of one-sided act. Furthermore he said that it had nothing to do with territorial dispute over the sea waters between Slovenia and Croatia.<sup>903</sup> The influential foreign political economy analyst Vladimir Gligorov, however, stresses that Croatia should seek a compromise solution thus demonstrating its political maturity to participate in the EU affairs, as insisting on enforcing the ZERP would most likely hurt the pace of accession to the EU.<sup>904</sup> Croatia de facto does not apply ZERP to the EU members although it is in force, and most of the general public is actually confused with the purpose of this Zone. Opposition leader Zoran Milanovic openly stated that the issue brought Croatia in a very delicate and

<sup>899</sup> Olli Rehn Statement quoted in Jutarnji list, 30 December 2007, p. 3.

<sup>900</sup> Slovenian President Janez Jansa statement after Slovenia took EU Presidency, quoted in Croatian Television (HRT) 31 December 2007.

<sup>901</sup> Quoted in Nacional on 21 January 2008, available at: <http://www.nacional.hr/articles/view/41985/>, last accessed on 24 January 2008.

<sup>902</sup> Referring to the statement of Mr. Rupel, Slovenian Minister of External Affairs, in which he requested immediate abolishment of the ZERP. Prime Minister Sanader stated that no ultimatum on that issue would be accepted from any side including Slovenian. The statement was quoted at Dnevnik (Prime news programme) of Croatian Television (HRT) on 21 January 2008.

<sup>903</sup> Interview with Dr. Vidas in political weekly Nacional, 7 January 2008.

<sup>904</sup> Interview with Dr. Vladimir Gligorov, Vienna Institute for Comparative International Studies, in Jutarnji list, 14 January 2008, available at: [http://www.jutarnji.hr/dogadjaji\\_dana/clanak/art-2008.1.14.104832.jl](http://www.jutarnji.hr/dogadjaji_dana/clanak/art-2008.1.14.104832.jl), last accessed on 24 January 2008.

vulnerable international position without proper reason, and asked President Mesic to organise a meeting of all the political parties to find a plausible way out of it.<sup>905</sup> Olli Rehn also offered assistance of the Commission in negotiations of interested parties to find a proper solution which would satisfy all.<sup>906</sup> Dr. Vesna Pusic, new President of the National Committee for Monitoring Negotiations with the EU stated that the possible solution of the problem might be to regulate the fishing component of ZERP by other regulations in accordance with standard EU practices and keep only the environment protection clauses.<sup>907</sup>

### *3. Croatia expects the invitation to join NATO in Bucharest this spring*

According to the statements of Prime Minister Sanader after the meeting with NATO in Brussels on 16 January 2008, Croatia will probably receive an invitation to join NATO this spring. Although the Croatian public was rather sceptical towards joining NATO, the news is also that there will not be a referendum in Croatia with regard to NATO membership as the latest polls show the increase of the public support for NATO membership.<sup>908</sup> From this statement it is clear that a political decision on the issue was already made based on the fact that there is no Constitutional obligation for a referendum. President Mesic also supports this decision and suggested to the Prime Minister that further efforts should be put in order to educate Croatian general public about the costs and benefits of NATO membership.<sup>909</sup> President Mesic also pointed out that the tasks were identified for all the Croatian Government ministries and offices in the next two months, and especially the Ministry of Defence, to ensure that invitation will be received for spring summit.<sup>910</sup>

<sup>905</sup> The statement was quoted in many media reports. It is available at the SDP web portal at: [http://www.sdp.hr/vijesti/hrvatska\\_vanjska\\_politika\\_blamaz\\_a](http://www.sdp.hr/vijesti/hrvatska_vanjska_politika_blamaz_a), last accessed on 25.01.2008.

<sup>906</sup> As quoted in Jutarnji list on 26 January 2008, p. 8.

<sup>907</sup> Quoted in Jutarnji list, 27 February 2008.

<sup>908</sup> Recent polls done by agency PULS show that public support to NATO has increased to about 48% in December 2007, which is up to about 7-8 percentage points as compared to the last poll. (According to Radio 101, News programme at 6 p.m., 23 January 2007)

<sup>909</sup> According to interview with Dr. Sanader at Nova TV, 21 January 2008, during their talks at Banski Dvori President Mesic agreed on that standpoint.

<sup>910</sup> The latest statement of President Mesic on that issue is available at official web site of his office: [www.predsjednik.hr](http://www.predsjednik.hr), last accessed on 28 January 2008.

### *4. Temporarily suspension of Pre-Accession funding to Croatia*

One of the problems that marked the start of 2008 in the EU-Croatia Relations is the temporarily suspension of PHARE 2006 funding as a result of dissatisfaction with handling the funds by Croatian Ministry of Finance.<sup>911</sup> Namely, as explained by Mr. Oskar Benedikt,<sup>912</sup> Counsellor of the EC Delegation, the European Commission has not frozen pre-accession funds but temporarily suspended the endorsement of the project contracts under PHARE 2006 programme due to weaknesses identified during 2007 in the implementation of the EU assistance under Decentralised Implementation system. Croatia received three months to offset the identified weaknesses caused by the insufficient administration capacities at the Ministry of Finance. In order to return to normal financing, improvements are especially expected in the management of assigned funds and the quality of project tender documentation.<sup>913</sup> The whole issue, although not directly related, has even larger weight when put into the context of administrative weaknesses to fight corruption that persist in Croatia in the last years, and therefore the issue is under enlarged scrutiny by the Commission. Namely, the negotiations on the chapter on judiciary have been postponed until Croatia complies with the given benchmarks. The important message is that the Croatian Government in order to efficiently fight corruption should make more concrete action plans for certain most affected sectors and designate precisely budgets, as well as institutions and persons responsible. Also, an efficient non-partisan monitoring of implementation of these measures need to be insured and conflict of interests better understood. In general, the accountability, impartiality and professionalism of Croatian public administration should be significantly improved as coupled with judiciary it remains one of the greatest Croatian challenges.<sup>914</sup>

<sup>911</sup> Statement available at the web site of the Delegation of the European Commission to the Republic of Croatia in Zagreb, [www.delhrv.ec.europa.eu/content/bews/id/996](http://www.delhrv.ec.europa.eu/content/bews/id/996) (last accessed on 21 January 2008).

<sup>912</sup> The statement quoted in Poslovni dnevnik, 17 January 2007, p. 11.

<sup>913</sup> The statement of Kristina Nagy, quoted in weekly Privredni vjesnik, 22 January 2008, p. 18.

<sup>914</sup> As already clearly stated in "Enlargement Strategy and Main Challenges 2007-2008", COM(2007) 663 final, EC, Brussels, 6.11.2007, p. 31.

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 Current issues
 

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 Cyprus\*
 

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 Entering the Euro-zone, Presidential elections
 

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The two most salient issues in Cyprus right now are the recent accession of the country into the Euro-zone and the February 2008 Presidential elections.

As far as the former is concerned, Cyprus (together with Malta) entered the Euro-zone on 1<sup>st</sup> January 2008. People feared that the introduction of the Euro would result in price increases, and so the Government undertook an elaborate PR operation to persuade the public that the Euro would not have such results. The double display of prices in the six months preceding Euro-zone entry, the Government inspectors monitoring the process, the fair-pricing agreements that many retailers signed, and the calculators posted to every home in the country that converted Euro prices into Cyprus pounds, were some of the measures taken to ensure that the transition would be a smooth one. The National Changeover Plan, prepared by the Ministry of Finance and the Central Bank, set the appropriate institutional framework and mechanisms for implementing the strategy of entry into the Euro-zone.

Aware, however, of the previous experiences of some other Euro-zone member states, the Government of Cyprus has been monitoring closely the transition process, and are watching retailers, in order to make sure that they do not use the Euro conversion as an excuse to round prices upwards. It is worth pointing out that CSOs and other community-based groups have been playing a very active role in this process, going as far as publishing regular monitoring reports, naming and shaming hitherto “unjustified”, i.e. upwards rounding-up, of prices.

In an interview with the Cyprus News Agency,<sup>915</sup> Michalis Sarris, Cypriot Minister of Finance said that “the accession of Cyprus to the Economic and Monetary Union has helped the Cypriot economy sustain a high pace of financial development”. He added that Euro-

zone membership would provide the opportunity to further consolidate fiscal policy and reduce public debt. The resources to be released will be used for social purposes. Sarris called for caution in order to avoid any negative fallout on the competitiveness of the economy. “Proper investment should be made and salary increases should be maintained within the productivity’s limits with a view to avoid any impact on inflation and the competitiveness of Cypriot products”, Mr Sarris pointed out.<sup>916</sup>

President Tassos Papadopoulos has also welcomed the introduction of the Euro, stating that it will have positive implications on efforts to reunite the country, divided since the 1974 Turkish invasion. Mr Papadopoulos added: “We are optimistic that the adoption of the euro will create more favourable conditions leading to a solution that will actually reunite Cyprus, its economy, territory, institutions and society at large. Any solution cannot but provide for a unified economy”.<sup>917</sup>

As regards the Presidential elections in the country, these took place on 17 February 2008. The three main candidates were: President of the Republic, Tassos Papadopoulos, who was seeking re-election, backed mainly by DIKO, but also by the Social Democrats Movement EDEK, EVROKO and the Green Party; Dimitris Christofias, the General Secretary of AKEL, the party that was formerly a coalition partner in Papadopoulos’ Government; and MEP Ioannis Kasoulides, a former Foreign Minister of the Republic, who was backed by DISY.

Apart from these three main candidates, European MP Marios Matsakis, the former Minister of Agriculture Costas Themistocleous, as well as Andreas Efstratiou, Costas Kyriakou (Outopos), Anastasis Michael and Christodoulos Neofytou were also running for presidency.

Even though Tassos Papadopoulos had been enjoying a persistent small lead in opinion polls for weeks before the elections, the results of the first round were surprising: Ioannis Kasoulides emerged as the winner with 33,51 percent of the votes, followed by Dimitris Christofias (33,29 percent) and Tassos Papadopoulos (31,79 percent).<sup>918</sup> Therefore,

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\* Cyprus Institute for Mediterranean, European and International Studies.

<sup>915</sup> “Smooth changeover from Cyprus “pound to euro”, Cyprus News Agency, 30 January 2008, available at: [www.cna.org.cy](http://www.cna.org.cy), last access: 05.03.2008.

<sup>916</sup> Ibid.

<sup>917</sup> Ibid.

<sup>918</sup> Kasoulides was supported by 150.996 voters, with Christofias receiving 150.016 votes. Papadopoulos’s support reached 143.249.



the first two prepared themselves for the runoff on 24 February 2008.

In this second round, 62-year old Dimitris Christofias scored a historic victory, since he is the first candidate of the Cypriot Left to occupy the presidential post. Supported by 53,36 percent of the voters, he left behind Mr Kasoulides who attracted only 46,64 percent. According to most exit polls, Christofias' victory was inevitable since 60 percent of Papadopoulos' followers opted for Christofias while he was also officially endorsed by the leadership of DIKO, EDEK and the Ecologists.

The new president expressed his eagerness to work in good faith towards the implementation of the UN-sponsored "Gambari Agreement" (otherwise known as "the July 8 Agreement") that would pave the way for the preparation of direct talks between the leaders of the two communities in Cyprus and the implementation of CBMs. Mr Christofias stressed that the solution of the Cyprus problem must be a product of mutual agreement of the Cypriots and rejected the idea of imposing a settlement inspired by third parties.

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#### Current issues

#### Czech Republic\*

#### Preparing for Council presidency and discussing the US radar base

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The Czech Republic will take over the rotating Council presidency in January 2009. During the autumn several seminars were arranged on the topic by NGOs and academic institutes. Also, the Czech media have taken an interest in the topic, primarily from the perspective of whether the Czech Republic will be able to successfully administer the presidency. In October the government published its priorities for the presidency.<sup>919</sup> The priorities have been criticised by the Social Democratic opposition, both for their content and for not including the opposition in their preparations.<sup>920</sup>

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#### \* Institute of International Relations.

<sup>919</sup> Prioritní oblasti předsednictví České republiky v radě Evropské unie (Priority fields of the Czech presidency of the EU council), available at: [http://www.vlada.cz/assets/cs/eu/dokumenty/PRIORITN\\_OBLASTI\\_P\\_EDSEDNICTV\\_R\\_v\\_Rad\\_EU.pdf](http://www.vlada.cz/assets/cs/eu/dokumenty/PRIORITN_OBLASTI_P_EDSEDNICTV_R_v_Rad_EU.pdf) (last access: 04.03.2008).

<sup>920</sup> See e.g. Čistky jako předehra na předsednictví, available at: <http://www.cssd.cz/dokumenty/clanky/s12265/a13491.html> (last access: 04.03.2008); ČSSD: Vláda připravuje předsednictví EU nezodpovědně (The Social Democratic Party: The Government prepares for the presidency

As a step in the preparations for the presidency, the government replaced the ambassador to the EU Jan Kohout with Milana Vicenová, who is allegedly closer in her views to the government's EU policy.<sup>921</sup>

The question of whether establishing a US missile interceptor radar base in the Czech Republic remains the most salient foreign policy issue in the country. The question has split not merely the political elite of the country but has also led to the creation of citizens' initiatives both in favour of and against the radar base. Even though this issue is not directly linked to the EU, it has far-reaching consequences for how the EU is perceived in the country. First of all, Czech politicians and media alike follow very closely the reactions of the EU following Russia's threats to target the locations of the bases from the Kaliningrad Region. Paradoxically, despite the fact that the Czech government opted for a bilateral approach when negotiating with the United States, it apparently expects the EU to step in when Russia unduly expresses its anger. Secondly, the delicate balance between those favouring a stronger trans-Atlantic link and those supporting greater integration of security policies within the EU will to a large degree depend on the outcome of the negotiations in the US-Poland-Czech Republic triangle and also on the possibility of including the thus far narrowly defined system in the larger framework of NATO.

The domestic political scene has been dominated by the government's attempt to reform the public finances, including a flat tax reform. The reform package has been criticised both from the right and from the left. Dissenting voices within the Civic Democratic Party (ODS) argue that the flat tax level is too high when compared to what was initially proposed. The socialist opposition, on the other hand, sees the reform as a blow to the poorest groups of the society.

In February the two chambers of the Czech parliament elected a new president. The election became a contest between the incumbent president Václav Klaus and the Czech-American economist Jan Švejnar. In the end Klaus was reelected but the process was

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irresponsibly), available at:

[http://www.tyden.cz/rubriky/domaci/cssd-vlada-pripavuje-predsednictvi-eu-nezodpovedne\\_20214.html](http://www.tyden.cz/rubriky/domaci/cssd-vlada-pripavuje-predsednictvi-eu-nezodpovedne_20214.html) (last access: 04.03.2008).

<sup>921</sup> Kohout: z velvyslance opět náměstkem (Kohout: from ambassador back to deputy), in: Hospodářské noviny, 8 October 2007.

delayed due to disagreement on the question whether the members of the two chambers of the parliament should vote in public or secretly. Since Klaus, throughout the post-1989 period, has been a dominant (Euro-sceptic) voice in Czech politics (as minister of finance, prime minister, opposition leader and president) there were some speculations regarding what a change could imply for the government's European policy.

#### Current issues

### Denmark\*

#### Youth unrest, general elections and new debate on Danish opt-outs

##### *War and terrorism*

In August 2007 Denmark pulled out its 450 ground troops stationed in Iraq and replaced them with a small helicopter unit of nine soldiers. Most of the Danish troops were stationed in Basra under British command. The withdrawal may be seen as a way to accommodate the wishes of the Danes, many of whom were sceptical of Danish engagement in Iraq from the outset. Following the withdrawal of troops from Iraq, Denmark increased the number of troops in Afghanistan.

The past half year also witnessed one more trial in Denmark of people accused of terrorist activity. In November 2007, three men were found guilty of planning an act of terrorism by the High Court jury in Copenhagen. The three men were amongst a group of nine people arrested in September 2006 in the city of Odense for possessing chemicals and lab equipment with the intention of making a bomb. The trial of the three men was the third major case in recent years involving suspects accused of planning or encouraging acts of terrorism<sup>922</sup>.

##### *Youth demonstrations in Copenhagen*

In November 2007, the clash between local authorities and the young activists from 'Ungdomshuset' (Youth House) in Copenhagen finally came to an end. The unrests started in March 2007 when young activists from the Youth House rioted against

the local authorities, when it was decided to sell their occupied house to a Christian organisation. When the house was cleared by the police, and subsequently demolished, in March, Copenhagen witnessed large-scale street fighting between the police and activists, burning cars and other kinds of vandalism continuing until late autumn 2007.

On 11 October 2007, Ritt Bjerregaard (the Lord Mayor of Copenhagen) invited representatives from the Youth House to have negotiations concerning a peaceful solution to the conflict. On 27 November 2007, the negotiating partners announced that they had reached an accord on establishing a new Youth House in Copenhagen<sup>923</sup>.

##### *The Danish general election*

On 13 November 2007, Denmark's voters gave a historic third term to their Prime Minister, Anders Fogh Rasmussen, in the general election. The election had a high turnout of 86.6%. The EU was not a major theme in the snap election campaign which was focused on issues regarding welfare, taxation and conditions for asylum-seekers in Denmark. Before the election, it was expected that the New Alliance party led by Syrian-born Danish politician Naser Khader would play the role as a kingmaker. Naser Khader rose to prominence during the cartoon crisis and is seen by many as the leading spokesperson for peaceful coexistence between Muslims and the Danish way of life. However, New Alliance performed poorly in the election winning only five seats in Parliament. In the end, it was the Faroe Islands which secured Anders Fogh Rasmussen the 90 seats in the 179-strong Danish Parliament he needed to continue the current liberal-conservative government coalition with support of the far-right Danish People's Party. However, the newly elected MP from the Faroe Island has stated that he wishes to abstain from voting on Danish domestic affairs<sup>924</sup>. Thus, the government is forced to govern without a secure majority and to seek broad agreements with the opposition. This places the government in a tight position in several policy areas. Above all, it will be difficult for Anders Fogh Rasmussen to accommodate both the New Alliance and the

\* Danish Institute for International Studies.

<sup>922</sup> TV2 News – Året der gik i Danmark, 27 December 2007, available at: <http://nyhederne.tv2.dk/baggrund/article.php/id-9774739.html> (last access: 24.01.08).

<sup>923</sup> Wikipedia – Ungdomshuset, available at: <http://da.wikipedia.org/wiki/Ungdomshuset> (last access: 24.01.08).

<sup>924</sup> BBC News – Danish centre-right wins election, 14 November 2007, available at: <http://news.bbc.co.uk/2/hi/europe/7091941.stm> (last access: 24.01.08).

Danish People's Party in agreements on asylum and immigration.

New Alliance has not had an easy start in Parliament because of their unclear policy program making it difficult for voters to see which 'block' in Parliament they support. Therefore, the party leader, Naser Khader, announced in mid-January 2008 that New Alliance belongs to the liberal block in Parliament and supports the existing government. However, the announcement was not well-received by Gitte Seeberg (one of the co-founders of the party), who decided to leave the party on the 29 January 2008 in protest of New Alliance continued co-operation with the Danish People's Party. In her announcement, she stated that she was objected to New Alliance officially labelled as a liberal party as it puts the party in direct partnership with the right-wing Danish People's Party<sup>925</sup>.

#### *The Danish EU opt-outs*

The year ended with the launching of a discussion of Denmark's four opt-outs from a number of EU areas: EU citizenship, the Euro, defence and the supranational aspects of justice and home affairs. Shortly after the re-election of the liberal-conservative coalition government, Anders Fogh Rasmussen announced his intentions to allow voters to decide whether or not to keep the opt-outs.

The Danish opt-outs were negotiated in the wake of the Danish voters' rejection of the Maastricht Treaty in 1992. As a response to the Danish 'no' the Edinburgh European Council adopted a protocol in December 1992, which defined four areas where Denmark would stay outside the developments of the EU. In a separate ballot in 2000, Danes rejected adopting the Euro. Therefore, Denmark continues to be a non-Euro area member state, although the Danish 'krone' is pegged closely to the Euro in ERMII. The Danish Institute for International Studies is currently working on a Parliament requested investigation concerning the developments in the EU since 2000 on those areas covered by the Danish opt-outs including the impact of the Lisbon Treaty.

The government believes that the opt-outs damage Danish interests. A majority of the

<sup>925</sup> Jyllandsposten – Co-founder Gitte Seeberg leaves New Alliance, 29 January 2008, available at: <http://jp.dk/uknews/politics/article1248248.ece> (last access: 31.01.08).

Danish parties do not wish to abolish the JHA opt-out entirely, but instead change it to an opt-in similar to the British model. Since the Prime Minister's announcement of a referendum in 2007, the Danish newspapers have been speculating as to whether Danes would have to vote on each opt-out in a separate referendum or in a 'big bang' vote, in which all four opt-outs are voted on at the same time. In the Danish media, the opt-outs are also considered a hindrance for Danes in pursuing top-posts in the EU. There has been some speculation in the press whether or not the Prime Minister's insistence on an opt-out referendum is due to his desire to become the first president of the European Council in 2009. The Prime Minister has, however, rejected this and asserted that the question of posts and candidates for the EU has not yet been discussed<sup>926</sup>.

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#### Current issues

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#### Estonia\*

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#### A slowing economy, Schengen, and Nord Stream

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Three other topics and discourses deserve mentioning in the context of this report.

First, there are growing concerns about the performance of the Estonian economy. Following years of double-digit economic growth, the economy is showing signs of slowing down, even though compared to the EU average, growth remains robust (6.4 % in the third quarter of 2007). High inflation (around 7-8 % in the last months of 2007) has pushed the changeover to the euro into the distant future. According to the Prime Minister, the „common currency euro is the main area where we are still regrettably far away from full integration.”<sup>927</sup> The hike of excise duties and the application of several new duties have made electricity, gas, motor fuel, alcohol and tobacco more expensive. The real estate boom of the past 3-4 years has been replaced with a stagnant market and there are speculations about the burst of the real estate bubble. Analysts and commentators debate the odds of „soft” versus „hard” landing while the

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<sup>926</sup> TV2 News –Fogh is spil som EU formand, 7 January 2007, available at: <http://nyhederne.tv2.dk/article.php/id-9938513.html> (last access: 24.01.08).

\* University of Tartu.

<sup>927</sup> Speech by Prime Minister Andrus Ansip in the Riigikogu on the European Union policy of the government, 09.10.2007, available at: [www.valitsus.ee](http://www.valitsus.ee) (last access: 04.03.2008).

government calls for calm, reminding the public that even at current growth rates, Estonia remains one of the fastest growing economies in Europe. Estonia continues to run budget surpluses, and the 2008 budget was planned with a surplus of 1.3 %.

A second topical issue concerns Estonia's long-awaited accession to the Schengen zone on December 21, 2007. The disappearance of border controls at the sea ports and on the Estonian-Latvian land border marks the ultimate realization of the dream of free travel. Internal border controls at airports will be lifted on March 30, 2008. As most inhabitants of Estonia remember the barbed-wired borders of Soviet-occupied Estonia all too well, the new freedoms have not only practical but also great symbolic value. Celebrations held in the Tallinn port as well as at the Estonian-Latvian border were attended by assorted dignitaries, including the President of the European Commission, and the Prime Minister of Estonia called Schengen accession the most significant event of 2007. On a practical level, Schengen accession has necessitated a reorganization of the work of the border guard and added fuel to ambitious plans to merge the police, border guard and migration services.

Third, relations with Russia remain tense. In the aftermath of the Bronze Soldier crisis, Russia applied hidden economic sanctions and rerouted transit shipments, leading to extensive layoffs of (mostly Russian-speaking) railway workers. The situation at the Estonian-Russian border has been described as „obscene”, with hundreds of trucks routinely waiting for several days to cross the border. Estonian officials attribute the problem to Russia's poorly-managed border guard and customs services and excessive bureaucracy. In the political sphere, Estonia continues to watch, unsurprised, how „sovereign democracy” is played out at both the Duma and presidential elections.

However, the issue that has received the most attention over the past six months pertains to the planned construction of the Nord Stream gas pipeline under the Baltic Sea. In September 2007, following extensive national debate, the Estonian government turned down Nord Stream's request to survey the seabed off the Estonian coast. The coalition government took the decision unanimously, citing national sovereignty in its territorial waters, national interests in the economic zone as well as environmental concerns. Public

opinion towards the “Putin-Schroeder Pact” has been negative from the outset. National security concerns were frequently raised in the debate, especially after the announcement that Gazprom might rely on the Russian navy to protect the pipeline. The increasingly cautious attitude of the other Baltic Sea countries (e.g. Sweden), as well as recent critical debates in the European Parliament show that Estonia is not alone with its concerns.

## Current issues

### Finland\*

#### Discussion on NATO among the top topics during fall 2007

One topic dominated the discussion in 2007: three reports on NATO were published and therefore the discussion around the issue gained media attention for a long time. The launch of the discussion happened already in spring when the Finnish Atlantic Council published its report. A next related incident happened in the USA, where the Minister of Defence, Jyri Häkämies gave a speech in which he stated that the biggest security threat for Finland is Russia: “--given our geographical location, the three main security challenges for Finland today are Russia, Russia and Russia.”<sup>928</sup> This speech was enthroned by the opposition parties while the public saw a pragmatic approach in the speech; it redirected the NATO debate to the question of security threats.

The NATO report of the Finnish Institute of International Affairs published in the beginning of December 2007 was widely welcomed by Finnish media. However, it was criticized for not taking a position regarding the Finnish NATO membership and for not providing analysis on whether the advantages of membership would be greater than the disadvantages.<sup>929</sup> Soon after, the third report by the Ministry for Foreign Affairs came out. This report did not include any positions for or against membership either. Neither of these reports sees significant problems with Russia in the long run if the Finnish NATO membership was to be realized.<sup>930</sup> Related to

\* Finnish Institute of International Affairs.

<sup>928</sup> Häkämies, Jyri, Minister of Defence, Speech, 6.9.2007, available at: [http://www.defmin.fi/index.phtml?663\\_m=3335&l=en&s=270](http://www.defmin.fi/index.phtml?663_m=3335&l=en&s=270).

<sup>929</sup> Suomen Kuvalehti, Column, p. 78, 21.12.2007.

<sup>930</sup> Helsingin Sanomat, Article, 22.12.2007, available at: <http://www.hs.fi/arkisto/artikkeli/Naton+j%C3%A4senyyden>



all above-mentioned reports, the EU security guarantees seemed to be a key issue. The debate is still continuing, as in early 2008, a report on the EU's security guarantees written by State Secretary Teija Tiilikainen will come out. Also Finnish President Tarja Halonen has participated in the discussion by stating that many have forgotten the advantages of non-alliance.<sup>931</sup> However, at the same time there are many influential politicians advocating membership, former president Martti Ahtisaari being the most prominent one among them.

#### *Finnish OSCE Presidency 2008*

The discussion around the forthcoming Finnish OSCE presidency started in December 2007. There have been certain speculations in media about the pressure that Russia might cause. Some countries have expressed their regrets for Finland having to hold the presidency during such hard times. Others have been more optimistic and seen that Finland can manage the presidency well due to the long-term experience of relations with Russia.<sup>932</sup>

During a launch event of the OSCE presidency in January 2008, the Minister for Foreign Affairs Ilkka Kanerva listed issues that the OSCE is expected to continue working on during the Finnish Presidency: continuous dialogue on the Conventional Armed Forces in Europe (CFE) treaty, OSCE presence in Kosovo and election observation. Concerning the priority areas of the Finnish chairmanship, Minister Kanerva mentioned 1) conflict prevention and crisis management and, in particular, the issue of improving border management in Central Asia, 2) cooperation in maritime and inland waterways, and 3) fight against trafficking in human beings and combating intolerance and discrimination.<sup>933</sup>

Most recently, the preparation for the EU presidency has become an important topic amongst political observers. An inquiry shows that 67% of the French population is aware that their country will take over the EU presidency, and 61% believe that this will have a positive impact on France's influence in the EU.<sup>934</sup> In July 2007, the website Euractiv launched a public consultation in order to determine the general public's opinion regarding the said presidency and political agenda. Forty-four organizations responded. The results, published in December 2007, suggest that France's civil society considers climate change/energy and growth/employment issues to be top priorities.<sup>935</sup> A few months earlier (September and October 2007), President Sarkozy and his government had outlined the main official issues of this presidency, those being: European security and defence policy (ESDP), immigration, energy and environment/climate change. However, the French media observed that many additional issues had also been considered as priorities, making the official agenda very ambitious. Analysts fear that it might be too ambitious, adding that the most successful presidencies have been those that did not generate too much publicity and media hype.<sup>936</sup> Furthermore, according to political scientist Thierry Chopin, the French presidency should not be based solely on a new political leadership, if it wants to be successful, France also needs to prove its ability to find compromises between different points of view.

#### *Energy and climate change*

Among the variety of future priorities for the French presidency, energy and climate change issues have been of particular importance within the context of the "Grenelle de l'Environnement", a large and open dialogue between the French government, NGOs, Unions, business and local communities, on environmental issues. During this domestic process, many references to the European context have been made<sup>937</sup> and France has expressed its intentions of becoming an environmental leader. Jean-Louis Borloo, Minister for the Environment, claims that France will be, by 2020, "the most carbonless economy in the EU". Such a declaration reminds us that French policy-makers have

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#### Current issues

#### France\*

#### EU Presidency, energy, the strong Euro

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#### *Preparation of the French EU Presidency*

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<sup>931</sup> Suomen Kuvalehti, Article, 22.11.2007.

<sup>932</sup> Suomen Kuvalehti, Article, p. 12-13, 4.1.2008.

<sup>933</sup> Kanerva, Ilkka, Minister for foreign Affairs, Seminar, 14.1.2008, available at: [http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet\\_2008/osce\\_identifying\\_the\\_cutting\\_edge/#](http://www.upi-fiia.fi/fin/tilaisuudet/tilaisuudet_2008/osce_identifying_the_cutting_edge/#).

\* Centre européen de Sciences Po.

<sup>934</sup> IFOP, 01/2008.

<sup>935</sup> See Euractiv: [www.euractiv.fr](http://www.euractiv.fr).

<sup>936</sup> Le Monde, 18/01/2008.

<sup>937</sup> See the reports on the Website: [www.legrenelle-environnement.gouv.fr](http://www.legrenelle-environnement.gouv.fr).



had a specific position on this issue since the beginning of the negotiations in March 2007. French authorities wanted the share of nuclear power in its energy mix to be taken into account when negotiating the energy package, particularly within the context of the objectives for renewable energy sources, arguing that nuclear power does not produce any CO<sub>2</sub>. Thus, although France was asked to reach a 23% share of renewables in its energy mix, Nicolas Sarkozy addressed a letter to the Commission, in which he refused an objective higher than 20%.<sup>938</sup>

#### *Economic issues – the Euro and public spending*

Political struggles between European officials and the French government are highly salient when it comes to economic issues. In September 2007, Henri Guaino, the president's advisor, reconfirmed the stance stating that France would not choose between growth and reforms, and refused any austerity plan. The European Commission criticized the French trajectory on public spending and the media covered the warnings it addressed to the government.<sup>939</sup> More recently, the Commission declared that the French government did not respect the commitments it made a few months earlier. According to policy analysts, these statements are not auspicious to the coming French EU presidency, since in fact they would considerably weaken the government.<sup>940</sup> This debate is extremely tense, given that French executives often criticize European institutions on other economic issues. In September 2007, Nicolas Sarkozy attacked the European Central Bank (ECB) and the Eurogroup, arguing they had not done everything in their power to resolve the financial crisis of that summer. Since then, he has consistently blamed the ECB for not intervening against the "strong euro". Many specialists fear that this strategy could isolate France in future European negotiations.<sup>941</sup> However, it has been observed that German Chancellor Angela Merkel and Thomas Enders, the president of Airbus, have recently expressed similar opinions. Observers conclude that this now double French and German preoccupation might be transformed into a concerted and coherent strategy for the

<sup>938</sup> See:

[www.elysee.fr/documents/?mode=view&lang=fr&cat\\_id=1&press\\_id=885](http://www.elysee.fr/documents/?mode=view&lang=fr&cat_id=1&press_id=885).

<sup>939</sup> Le Monde, 26/09/2007.

<sup>940</sup> Les Echos, 28/01/2008.

<sup>941</sup> See an Interview of Xavier Timbeau (OFCE) in Le Monde, 13/09/2007; Libération, 15/09/2007.

Eurogroup. Speaking to the *Financial Times*, Nicolas Sarkozy's adviser, Henri Guaino, did not act in favour of such a concerted strategy, when he suggested France would press for reform of the European Central Bank to give political leaders more control of monetary policy, and warned that France would not cut spending or raise taxes to narrow its public finance deficit.<sup>942</sup>

#### Current issues

#### Germany\*

#### Current events drive domestic discourses

Over the last months several issues popped up in the public debate. They occurred mostly in reaction to current events, but bring to light or give new impetus to persisting concerns and questions. Among them are the following:

The three regional elections in the Länder Lower Saxony, Hesse (January 2008), and Hamburg (February 2008) intensified the debate on the underlying reasons and implications of the now well established five party system. The newly formed party "Die Linke" (The Left), composed of the PDS (formerly SED), the WASG (dissenters from the SPD), West German communists of all kinds, and frustrated trade unionists, had a series of electoral successes – also in the formerly West German Länder and at the national level. This development affects the party constellations, political programmes and leadership. It challenges especially the SPD but also the CDU to look for new coalition partners to form multi-party governments, including minority governments.<sup>943</sup>

Several events (fire in a building with mostly Turkish residents, speech of Prime Minister Erdogan in Cologne before more than 18.000 Turks or Germans with Turkish roots; attack on elderly metro-passenger in Munich by a Greek and Turkish teenager) brought up the problems of integration, in particular of the Turks and Germans with Turkish background and strongly influenced the CDU election campaign in Hesse. The reform and

<sup>942</sup> Financial Times, 09/12/2007.

\* Institute for European Politics.

<sup>943</sup> Berthold Kohler: Der Sozialismus hat seinen Schrecken verloren, in: Frankfurter Allgemeine Zeitung, 24.02.2008, accessible at: <http://www.faz.net/s/RubEA30294A29CF46D0B1B242376754BC09/Doc-E4D2FDD943F8248FEA00D6AF33128E8B5-ATpl-Ecommon-Scontent.html> (last access: 25.02.08).

strengthening of German integration policy in particular in the field of education is seen as crucial.<sup>944</sup>

The killing and extreme negligence of children in both East and West Germany brought up a debate on violence and brutalisation in many families and parts of society, as well as on the lacking responsibility and interpersonal relations within society as a whole. Suggestions were made for improving the lax preventive medical checkups for children, and the control through the youth welfare office.<sup>945</sup>

Issues connected with a reform of the education system are continuously and controversially discussed at regional and national level. As regards childhood care ("Kitas") the debate focuses on the insufficient number of places and the compatibility of family and work especially for women. The school system is criticised for failure to integrate children with a migration background and for inequality of opportunities. At all levels, but especially regarding universities, German competitiveness is questioned.<sup>946</sup>

Events like massive tax evasion by top managers ("Liechtenstein affair", German postal service), high salaries for managers and – on the other side – the quarrels over the extension of minimum wages to more branches of the German economy as well as the announcement of very successful companies to dismiss work force by the thousands all this fuels a heated debate on social justice and the growing imbalances of the social market economy to which traditionally all parties in Germany more or less subscribe to.<sup>947</sup>

The renewal of the mandate for German forces in Afghanistan revealed discontent with the official downplaying of this question and other

<sup>944</sup> Faz.net: Wir brauchen keine Schulen des türkischen Staates, Reaktionen auf Erdogans Integrations Ideen, 09.02.2008 (last access: 29.02.08).

<sup>945</sup> Michael Schlieben: Nichts gesehen, nichts gehört, in: Zeit online, 07.12.2007, accessible at: <http://www.zeit.de/online/2007/50/darry-kindstoetung>; Alle Kinder zum Arzt, accessible at: <http://www.zeit.de/online/2007/50/darry-reaktionen?page=1> (last access: 25.02.08).

<sup>946</sup> Reinhard Kahl: Leistung Mittelmaß, Chancengleichheit schlecht, in: Zeit online, 05.12.2007, accessible at: <http://www.zeit.de/online/2007/49/pisa-ergebnisse> (last access: 25.02.08).

<sup>947</sup> Sueddeutsche Zeitung: Interview with German Minister of Finance, Peer Steinbrück: "Die Leute halten uns für verrückt", 18.12.2007, accessible at: <http://www.sueddeutsche.de/wirtschaft/artikel/292/148936/> (last access: 29.02.08).

actions with regard to its robust military component, and opened reflections on "why are we there?".<sup>948</sup>

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## Current issues

### Greece\*

#### Introversion

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Since late 2007, despite the popular vote having confirmed confidence to the Karamanlis Government (albeit with a marginal majority of 152 in the 300-seat Parliament), an impressive – and, at times, threatening – inaction has taken hold of the political system. The Government is beset by successive scandals, which have undermined its cohesion, and its will to act; urgent matters like Social Security Reform cannot be faced and fiscal stability looks once more under question. The major Opposition party (PASOK) is in the throes of a potential breakdown. The fact that, following forthcoming elections in Cyprus, the Cyprus issue may be put once more in negotiation, while at the very same time the FYRoM issue is being negotiated – and Kosovo's independence may bring further instability in the region – makes for further introversion in Greek politics. This may be the major characteristic of 2008 for Greece: introversion cum instability.

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## Current issues

### Hungary\*

#### Growing discontent over political and socio-economic situation

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In Hungary the greatest public attention is given to the general internal political, economic and social problems. The government is actually pushing through a set of very harsh restriction measures in order to diminish the huge public deficit accumulated in the past few years (which peaked at 9.2% of GDP in 2006). On the revenue side there are price and tax increases, coupled with rising inflation. Further income is being generated via privatisation – the selling of some of the remaining items of

<sup>948</sup> FAZ.net: Streit um Afghanistan Einsatz der Bundeswehr, 10.02.2008, accessible at: <http://www.faz.net/s/RubDDBDABB9457A437BAA85A49C26FB23A0/Doc-E762EAADCB3CF40348301088312CE0194-ATpl-Ecommon-Scotent.html> (last access: 29.02.08).

\* Greek Centre of European Studies and Research.  
\* Institute for World Economics of the Hungarian Academy of Sciences.

national property, as criticised by the opposition. On the expenditure side most cuts have been realised in the public health and education sector, leading to the closing down of hospitals and schools, and to recurrent shortcomings in the health care services. The cut backs have been accompanied on the expenditure side by such huge investments as the fourth metro-line in Budapest and the planned new government headquarters in the centre of the capital. While the accomplishment of the former investment is being delayed and the inauguration date is further postponed, the latter construction project had recently been cancelled.

The general mood in Hungary can be characterised by an average stagnation of living standards, slowly growing economy, increasing prices and inflation, very low employment rate, wide public discontent, strikes and different forms of civic opposition to a policy pursued against the original electoral programme of the governing coalition. Actually, the citizens were able to express their views on some concrete government measures, as President László Sólyom called for a binding referendum on three questions concerning the withdrawal of the doctor's consultation fee, the daily subsistence fee in hospitals as well as the obligatory students' financial contribution – put forward by the greatest oppositional party. The referendum took place on the 9<sup>th</sup> of March 2008 and was attended by slightly over 50% of the voters – just as forecasted by polling institutes. The outcome was a sweeping victory of “yes” votes (i.e. abolishing these fees): 84% in the case of hospital fees and 82% in the case of both doctoral visits and students' contribution. As this referendum had a legally binding effect (under the condition that 25% of the voters plus one would indicate the same option), the parliament is now bound to modify the relevant laws and the government has to redesign the budget accordingly.

Another question for referendum on the withdrawal of part-privatisation of the social security system has also been initiated by private persons, reflecting the fears of most of the people vis-à-vis private health insurance system and potentially huge inequalities regarding the services to be entitled to. This referendum may take place in autumn this year (the necessary signatures backing this initiative have already been collected).

To put the whole issue into a European context, it can be stated that Hungary, a former

forerunner country in the group of the ex-socialist states is by now well behind most of the new members. Hungary is struggling with political legitimacy problems, with lack of minimum national consensus, with general economic, social, structural and demographic problems. These factors can endanger the sustainable real and nominal convergence of the country which has also been hinted to by Commissioner Joaquín Almunia, warning that Hungary still counts as a country of “high risks”<sup>949</sup>.

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## Current issues

### Italy\*

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#### Domestic and global issues

##### *Crisis of the Italian government and next political elections*

The Prime Minister of Italy Romano Prodi resigned on January 24<sup>th</sup>, 2008 after being defeated in a vote of confidence in the Senate by 161 votes to 156. The government faced the vote after the Minister of Justice Clemente Mastella withdrew his party from the ruling centre-left coalition amid corruption allegations to his wife and other prominent members of his party. Without the support of two of the three senators who represented the small Udeur party and that of two senators from the small liberal party led by Lamberto Dini, Romano Prodi lost his single seat majority in the upper house of Parliament. Prodi's resignation sparked a government crisis and forced the President Giorgio Napolitano to call for early general elections, scheduled for April 13<sup>th</sup> and 14<sup>th</sup>, 2008.

##### *Further issues*

- Prices increase
- Global warming
- Nuclear proliferation and the situation in Iran
- Crisis in Burma (Myanmar)
- US electoral campaign

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<sup>949</sup> Bruxinfo, January 24, 2008 (<http://www.bruxinfo.hu>).  
\* Istituti Affari Internazionali.

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## Current issues

### Latvia\*

#### Inflation, crime and disenchantment with politics

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Early in 2008 the society of Latvia is most concerned with three topics: the rising cost of living, crime, and dissatisfaction with the government and the parliament. According to Eurostat data, Latvia has the dubious distinction of having the highest inflation of all EU member states in 2007 and in January 2008, inflation exceeded 16% as compared with the prices one year ago. Although the government of Prime Minister Ivars Godmanis, in office since December 2007, is genuinely trying to deal with this problem, no alleviation is being promised until possibly the second half of 2008. For Godmanis, it is an uphill battle, because the problem should have been addressed several years ago by the government of Prime Minister Aigars Kalvitis, but he preferred to assume that it would go away on its own. Secondly, with the rise of fuel prices throughout the world and the imminent closure of the Ignalina Nuclear power plant in Lithuania (a major supplier of electricity for Latvia), the price of gas, oil and electricity will increase dramatically in Latvia in 2008. Thirdly, it appears that some producers of foodstuffs and basic consumer goods are taking unfair advantage of the situation so as to make a quick profit; the authorities have promised to investigate these accusations.

According to a public opinion poll taken in November 2007 and commissioned by the Ministry of Defence, Latvia's residents consider economic risks (65%) crime (42%) and drug abuse (40%) to be the most serious threats to the country's security.<sup>950</sup> Having briefly dealt with the first topic, let us look at crime and drug abuse separately, although they are in many respects interrelated. Concerning crime, owing to the investigatory success of the State Prosecutor's Office and the Anti-Corruption Bureau in 2007, ever more than heretofore politicians and economically influential persons, who – it had been rumoured – were engaged in tax evasion, corruption, graft, and illegal business practices, have had to leave their profitable positions and are awaiting trial. It was also revealed in 2007 by reporters that even some prominent lawyers had privately influenced the decisions of judges. Although

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\* Latvian Institute of International Affairs.

<sup>950</sup> BNS, 1 March 2008.

these revelations clearly disturb the population, they are also a hopeful sign showing that the fight against crime has intensified and is finally producing some results. As for drug abuse, according to the police the availability and the sale of narcotics in Latvia have grown very substantially over the past year. Early in 2008 the police decided to activate a special unit for fighting crimes related to narcotics.

The profound dissatisfaction of the population with the performance of the government of Prime Minister Kalvitis, which led to its resignation in December 2007, was accompanied by an equally profound disappointment in the parliament, which, owing to the secure majority of the parties forming the ruling coalition whose members formed the government, acted simply to approve the decisions of the government and ignored high-handedly the views of the opposition parties and the electorate. This resulted in public demonstrations, voters' appeals to change the constitution allowing for a procedure of grass-roots initiated dismissal of the parliament and to adopt laws that would guarantee that the minimal pensions would not be less than the subsistence minimum.<sup>951</sup>

All three topics are likely to remain as major concerns of the population of Latvia in 2008.

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## Current issues

### Lithuania\*

#### Energy issues and European capital of culture

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##### *The closure of Ignalina nuclear power plant*

By signing an accession to the European Union treaty Lithuania has undertaken the obligation to close the Ignalina nuclear power plant. The closure of the second block of the power plant was foreseen for 2009. As this date is approaching the discussions about the possibilities to prolong the functioning of this power plant are intensifying. Some of the high officials assert that negotiations upon the extension of the functioning of the Ignalina nuclear power plant should be started with the European Commission as far as the 37 article

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<sup>951</sup> For more information about the public appeals, see the home page of Central Election Commission, available at: <http://web.cvk.lv/pub/public/index.html> (last access: 18.03.2008).

\* Institute of International Relations and Political Science, Vilnius University.



of the accession treaty provides such a possibility.

Since Ignalina nuclear power plant produces the majority of the electrical energy used in Lithuania, there are different concerns about the situation with the electrical energy after the closure of the plant. Among other problems is the problem that Lithuanian dependency on the Russian gas will increase greatly after the closure of the plant and it is not certain if Russia is ready and able to supply this additional gas<sup>952</sup>.

#### *The building of a new nuclear power plant*

To deal with the forthcoming situation it was decided to build a new nuclear power plant. Therefore the Lithuanian Parliament passed a nuclear power plant law, which came into force on July 10, 2007. By passing this law the Parliament supported the building of a new nuclear power plant in Lithuania. The law foresees that a company of national investors will be established to implement the project of building the new nuclear power plant to which strategic partners – Latvia, Poland and Estonia – will accede. It is said that the first reactor of the new nuclear power plant should be built around 2015, although no date is mentioned in the law<sup>953</sup>.

#### *Vilnius will become European capital of culture in 2009*

Next year the Lithuanian capital Vilnius will become the European capital of culture. The conception of the programme is called "Culture live" and emphasizes that culture is an integral part of everyday life and everyone is involved in its creation. Such a conception of the programme was inspired by the avant-garde Fluxus movement. The goal of this conception is to bring the elite art and the popular culture closer – as the Deputy Mayor of Vilnius Algirdas Paleckis explained – the project aims at deelitizing the high art and at devulgarizing the low art. "Elite art has to be accessible and comprehensible, common people have to participate in it. Art also has to be exposed in

<sup>952</sup> Deryboms dėl ilgesnio atominės darbo liko mažiau nei metai (Less than a year left for the negotiations upon the longer functioning of the nuclear power plant), July 31, 2007, <http://www.paleckis.lt/Default.aspx?Element=ViewArticle&TopicID=36&ArticleID=772&Lang=LT>.

<sup>953</sup> Naujos atominės elektrinės statyboms - žalia šviesa (Green light for the building of a new nuclear power plant), June 28, 2007, <http://www.bernardinai.lt/index.php?url=articles/64219>.

public spaces, that it would reach equally the common people"<sup>954</sup>.

The programme will also reveal the topic of the EU eastern border. It is expected that this project will make Vilnius more popular in the whole world, stimulate tourists to visit Vilnius and help to form a positive image of Lithuania<sup>955</sup>.

### Current issues

#### Luxembourg\*

#### Investigation into explosions, tax issues

A 23-year-old 'story' raised in late 2007, has again become a topic in Luxembourg's political life. Over the years 1984 to 1986, a series of explosions shook the little Grand Duchy. Electricity pylons were blown up, a *Gendarmerie* station hit by another explosion; the offices of the largest newspaper, the *Luxemburger Wort* were destroyed by explosives. A police officer was wounded, but no one got killed. On 2<sup>nd</sup> December 1986 a bomb was thrown from a passing car, just 100 metres from the ongoing EU summit meeting in Kirchberg, the European conference centre of the capital. The series stopped as mysteriously as it had started with an explosion at a former police chief's private house on March 25<sup>th</sup> 1986. The persons responsible for these rather numerous explosions were never uncovered. Although investigations never really stopped over the past 23 years, they did not show any concrete results until two police officers were arrested by the state prosecutor in November 2007. The state prosecutor revealed that the accused were former members of a Special Force unit of the Luxembourg police<sup>956</sup>. Accusations, rumours involving even the Cold War NATO's secret unit "Stay-Behind" circulated without being proved. The

<sup>954</sup> Programa "Vilnius - Europos kultūros sostinė" plėsi komandą bei tęs pradėtus projektus (The programme Vilnius – European capital of culture will expand the team and will continue the started projects), news agency Baltic news service, January 4, 2008, <http://www.bernardinai.lt/index.php?url=articles/71967>.

<sup>955</sup> Europarlamentarams rūpi Europos kultūros sostinės Vilniuje sėkmė (Members of the European Parliament care about the success of the project Vilnius – European capital of culture), press release of the European Parliament, December 5, 2007, <http://www.euro.lt/lt/naujienos/apie-lietuvos-naryste-europos-sajungoje/naujienos/2174/>.

\* Centre d'Etudes et de Recherches Européennes Robert Schuman.

<sup>956</sup> «Concerne affaire d'attentats à l'explosif des années 1984-1986», Parquet du Tribunal d'arrondissement de Luxembourg, 23.1.2008.



opposition parties recently called for a parliamentary investigation commission to elucidate the involvement of senior police officers and state secret service agents in the case. Most recently, the supreme Chief of Police and his deputy were removed from their positions by the Minister of Justice, Luc Frieden, because they refused to contribute satisfactorily to the investigation of this crime. New developments of the case are about to be revealed and might seriously jeopardize the people's confidence in its security institutions. Prime Minister Juncker and the Minister of Justice Frieden warned the country and its political body to refrain from destabilising the country and its institutions<sup>957</sup>.

Luxembourg, as one of the world's richest countries, has also one of the biggest car problems in the EU. Statistics reveal that there are 600 cars for 1000 inhabitants, babies and youngsters unable to drive, included<sup>958</sup>. In 2006, within the framework of his policy to prevent climate change, the Luxembourg Minister of Environment, Lucien Lux, passed a new law meant to substantially raise the taxes on cars with high CO<sub>2</sub> emissions. "As opinion polls showed, most Luxembourgers, convinced by the necessity of serious measures against global warming"<sup>959</sup>, either approved the new legislation or did not show any major concern when it was passed. How different was their reaction in late 2007 when the tax sheets came flying into their letter boxes. Now this new legislation has worked havoc among the population: the Luxembourg Automobile Association, together with numerous angry car drivers, have protested virulently against the "exorbitant" tax rise<sup>960</sup>. Some felt it was "anti-constitutional". With a glance at the coming 2009 national elections, the government decided tax exemptions for families with many children but only if their car is not more than three years old<sup>961</sup>.

The latest "Eurobarometer" confirms a long time tendency: Luxembourg citizens do trust their government, 65% have great confidence in the government. The EU average is only

34%<sup>962</sup>. Luxembourg is even the EU country where the government enjoys the highest popularity among its citizens. The improved budgetary situation of Luxembourg gave the Finance minister the opportunity to decide on a slight tax reduction for all income tax payers. Furthermore, Jean-Claude Juncker announced that a "children's bonus" will be introduced. Up to now, only income tax paying parents have profited from special tax saving measures linked to the number of children under their charge. The families paying no income tax at all could not profit from these fiscal advantages. Now the "children tax deduction" has been abolished and will be replaced by a "children bonus" paid to all parents with children under their charge. This measure will especially help the low-income families. This bonus will be paid as a complementary to the "family aid money" already paid out for years<sup>963</sup>.

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## Current issues

### Malta\*

#### **Introduction of Euro, improving competitiveness, support for EU-Africa summit and for integrated maritime policy**

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*Introduction of the Euro as the official currency of Malta on January 1<sup>st</sup> 2008*

A major information campaign about the EURO by the Government of Malta has been implemented throughout 2007 with the specific objective of ensuring that all sectors of the population are well informed about the single currency ahead of its adoption. While the majority of the population favour the introduction of the EURO a major concern is that of an increase in inflation.

*Improving Malta's competitiveness with EU support through its National Reform Programme (NRP)*

Malta welcomed the EU Commission's assessment of progress made in implementing key structural reforms as part of its National Reform Programme (NRP) and based on the Integrated Guidelines for Growth and Jobs in December 2007.

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<sup>957</sup> «Déclaration vum Justizminister Luc Frieden. Affaire Bommeleeër an Rapport vun Inspection générale de la police», Service information et presse, 30.1.2008.

<sup>958</sup> Stateg: «Luxembourg en chiffres 2007».

<sup>959</sup> Interview Jean-Claude Juncker, RTL, 31.12.2007.

<sup>960</sup> «La position de l'ACL» (Automobile Club de Luxembourg), 12.12.2007, available at: [www.acl.lu](http://www.acl.lu) (last access: 04.03.2008).

<sup>961</sup> Interview Jean-Claude Juncker, RTL, 31.12.2007.

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<sup>962</sup> Eurobaromètre 68.1, Automne 2007 Rapport national Luxembourg, 2008.

<sup>963</sup> Ibid.

\* Mediterranean Academy of Diplomatic Studies, University of Malta.

The EU confirmed that Malta has made good progress in the implementation of its National Reform Programme over the 2005-2007 period. Malta showed good progress in fulfilling the commitments agreed by the 2006 Spring European Council in the four priority action areas. The Maltese 2005-2008 National Reform Programme (NRP) identified the sustainability of public finances, competitiveness, the environment, employment and education and training as key challenges. In addition, the Commission focussed on competition, the quality of the regulatory system, and making work more attractive.

Overall, the EU Commission confirmed that the Implementation Report shows good progress on implementing the NRP over 2005-2007 in many key areas. Malta has followed a steady reform policy over the period. The most prominent result of this policy is the Council decision in favour of Malta's adoption of the Euro on 1st January 2008.

Among the strengths of the Maltese National Reform Programme and its implementation are its governance and the progress achieved in fiscal consolidation as well as progress in strengthening the business environment, liberalising certain markets (e.g. ports), reforming education and increasing ICT use.

The EU Commission also indicated that the policy areas in the National Reform Programme where further attention needs to be dedicated with the highest priority are competition policy and persistent labour market problems. Against this background, the Government of Malta will continue to seek to strengthen its competitiveness, notably by reducing state aids and redirecting them towards horizontal objectives as well as by reinforcing the competition authority and by further steps in opening up professional services.

In addition the government will continue to take the necessary steps to attract more people into the labour market, particularly women and older workers, and maintain efforts to tackle undeclared work and take further action on the benefit system to make declared work more attractive.

In addition, it is the Government of Malta's intention over the future period of the National Reform Programme to focus on a number of priority areas. These include continuing implementing and reinforcing measures on

health care reform; further improving the regulatory environment by continuing simplifying legislation, by introducing systematic impact assessments and effective one stop shops for business start-ups; diversifying its energy sources, including enhancing energy efficiency and renewable energy and connecting Malta to Europe's energy networks. A specific effort will also be made to raise educational attainment and reduce early school leaving.

Malta also welcomes the EU Commission Recommendation on the Broad Economic Policy Guidelines (2005-2008) and looks forward to implementing the EU Commission recommendations on the broad guidelines for the economic policies of the Member States and the Community. This includes implementing a policy agenda that will introduce macroeconomic policies that will create the conditions for more growth and jobs and microeconomic reforms to raise Europe's growth potential.

#### *EU-Africa summit held in Lisbon in December 2007*

Malta wholeheartedly supported the EU-Africa summit held in Lisbon in December 2007 believing that closer relations between the two continents was crucial if security challenges such as illegal immigration were to be addressed in a more comprehensive manner in future. A specific initiative that Malta has been supporting is that of the Euro-Mediterranean Initiative for Technology and Innovation (EuroMedITI) a Malta-led European Initiative for Innovation and Economic Growth in the Mediterranean Region

The diversity of customs, cultures, economic status and political realities across the Mediterranean is proving to be a serious obstacle towards creating a properly functioning common market in the region, and hampering the uptake of European technology in the developing states of the Mediterranean. The lack of basic understanding of market realities poses a large challenge, particularly to small and medium sized enterprises (SMEs) that lack the necessary resources to access the region.

The principal objective of EuroMedITI is that of engaging European and Mediterranean Businesses, Academic and Research Entities, and National Governments for the development, customisation and deployment

of innovating technologies. The focus will initially be on four sectors of relevance to the Mediterranean Region, namely: Water and Environmental Technologies; Renewable Energy; Information and Communication Technology and Marine Technologies. Other specific projects that are applicable and feasible may also be adopted and developed.

The initiative aims to develop and empower an outstanding technology and innovation platform in Malta for business-driven services in Training, Applied R&D, Testing and Prototyping, Incubation, and Dissemination in the Mediterranean Region. This will appeal directly to industries searching for a location to execute applied research and development under favourable conditions, and a hub to access the emerging Mediterranean market of approximately 400 million people.

EuroMedITI addresses directly the objectives of the Lisbon Strategy, to develop European networks of innovation at a regional level so as to increase knowledge and technology transfer and promote economic growth. It also addresses the objectives of the Euro-Mediterranean Partnership, to strengthen scientific research capacity and development, by putting more emphasis on strategic projects integrating R&D, technology transfer, training and innovation activities.

#### *The EU's Integrated Maritime Policy Paper*

Malta also welcomes and supports the EU's Integrated Maritime Policy Paper as it believes that this will have a major positive impact on the future sustainability of marine life in the EU and its immediate vicinity. The Government of Malta welcomes the EU Integrated Maritime Policy's focus on maximising the sustainable use of the Oceans and Seas that will enable the growth of maritime sectors and coastal regions. While more than 40 per cent of Europe's population live in coastal regions where more than 40 per cent of our GDP is produced, the Mediterranean is a region where an even higher number of people are dependent on the sustainability of the sea.

An updated strategic vision for the development of competitive, safe, and secure shipping, ports and related sectors is essential if we are to achieve sustainable growth of sea-related activities while ensuring that maritime activities develop in a manner that does not threaten maritime ecosystem health.

The Government of Malta supports the EU Integrated Maritime Policy's commitment to promote improved cooperation between Member States' Coastguards and appropriate agencies. The creation of a more interoperable surveillance system to bring together existing monitoring and tracking systems used for maritime safety and security will help create a more stable maritime policy framework in the Mediterranean. This is an essential prerequisite to ensuring that protection of the marine environment, fisheries control, monitoring of our external borders and other law enforcement activities are all achievable goals.

In the Mediterranean context, Malta believes that such a maritime policy will assist in fostering trust and partnership between northern and southern riparian states. An effective partnership should include seeking to reach maritime cooperation agreements with our non-EU neighbours.

The Government of Malta therefore welcomes enthusiastically the Integrated Maritime Policy's focus on promoting further maritime cooperation through the European Neighbourhood Policy and supports the proposal to develop a strategy for the external projection of the EU's Maritime Policy through a structured dialogue with major partners.

Malta firmly believes that including maritime policy objectives in the context of the European Neighbourhood Policy will help to ensure that such goals are achieved across the Mediterranean. They will also boost efforts being sought in this sector through the Euro-Mediterranean Partnership by promoting good governance of marine resources. In line with Malta's foreign policy goal of strengthening relations with our neighbours in the Maghreb and Mashreq, Malta looks forward to supporting the EU to articulate the strategic goals of its integrated maritime approach with our third country partners in the Mediterranean.

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 Current issues
 

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 Netherlands\*
 

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 Debate on 'national identity', attitudes towards EU
 

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Although in 2007 much public debate in the Netherlands focused on the sensitive issue of 'national identity', also in the context of immigration and integration, surveys continue to show that the traditionally large support of the Dutch public for European integration is largely based on utilitarian, instead of affective considerations.<sup>964</sup> As this is considered a volatile basis, influential advisory bodies, including the Social and Cultural Planning Office and the Scientific Council of government policy (WRR) have emphasised the need for more regular political contestation on EU policy and politics, instead of mere information.<sup>965</sup>

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 Current issues
 

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 Poland\*
 

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 Parliamentary elections, anti-missile shield, Schengen area
 

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*Pre-term parliamentary elections in Poland*

The second half of 2007 in Poland was largely dominated by domestic preoccupations related mainly to the fall of the previous governing coalition (Law and Justice – League of Polish Families – Self-Defence) and the formation of the minority (Law and Justice) government on 13<sup>th</sup> of August, the self-dissolution of the Parliament (7<sup>th</sup> September 2007), as well as subsequent announcement of the pre-term parliamentary elections, electoral campaign and the elections themselves – that took place on 21<sup>st</sup> of October 2007.

All these put Polish politics in a new situation with the Civic Platform winning 209 seats out of 460 in the Sejm (lower house of the Polish Parliament), Law and Justice – 166 seats, Polish Peasants Party – 31 seats, the coalition electoral committee Left and Democrats

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 \* Netherlands Institute of International Relations 'Clingendael'.

<sup>964</sup> Dekker et al., *Marktplaats Europa*, The Hague: SCP/CPB.

<sup>965</sup> *Rediscovering Europe in the Netherlands*, June 2007, Report no. 78 by the Dutch Scientific Council for Government Policy, Amsterdam: Amsterdam University Press.

## \* Foundation for European Studies, European Institute.

winning 53 seats and the last seat going to electoral committee of the German Minority<sup>966</sup>. Turnout seemed quite high as compared to earlier elections in the past few years and reached 53,88%. The results of the Senate elections were as follows: Civic Platform – 60, Law and Justice – 39, and one independent candidate (former Prime Minister, foreign affairs minister and minister of justice in left governments)<sup>967</sup>.

The results of the elections enabled the formation of the coalition government including Civic Platform and the Polish Peasants Party, enjoying the support of 240 seats in 460 seat lower house of the Parliament. The public opinion perception of the new government was quite positive with 54% of supporters and 19% of those against the new cabinet. Similarly 59% of respondents were confident that the government will improve the situation in the country, with only 16% of those worried that the situation may deteriorate<sup>968</sup>. A new opinion polls executed three weeks after the new government took office showed even slight increase of support for the government up to 57%<sup>969</sup> and the main hopes linked with the new government are: improvement of economic situation (50%), lowering unemployment (46%), improvement of living conditions (38%). 54% of the interviewees think that under the current government the position of Poland in the EU will strengthen, 56% count on the improvement of Polish-German relations, while a more cautious stance is represented as concerns Polish-Russian relations, yet still 43% of the respondents are optimistic about their improvement<sup>970</sup>.

Among other issues discussed quite intensively around and after the pre-term elections period one should mention the question of Poland's involvement with the anti-missile shield project and the problem of Poland's military forces taking part in Iraq and Afghanistan missions.

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<sup>966</sup> Announcement of the State Electoral Commission of 23<sup>rd</sup> October 2007 on results of the elections to the Sejm of the Polish Republic.

<sup>967</sup> Announcement of the State Electoral Commission of 23<sup>rd</sup> October 2007 on results of the elections to the Senate of the Polish Republic

<sup>968</sup> Communiqué on survey results, CBOS, BS/172/2007, November 2007. It is worth noting that the last Polish government enjoying higher support was the one instituted as late as in 1993.

<sup>969</sup> Communiqué on survey results, CBOS, BS/183/2007, December 2007.

<sup>970</sup> Communiqué on survey results, CBOS, BS/179/2007, December 2007.

### *Anti-missile shield*

The current government declared that defence systems including the anti-missile shield are part of NATO, European and Euro-Atlantic defence systems<sup>971</sup> and that Poland will not haste with the decision regarding the installation of missile base in Poland<sup>972</sup>. The Foreign Minister, Radek Sikorski, stressed that at the current stage of negotiations the installation of the missile base is not fixed yet, but the talks will continue<sup>973</sup>.

Commenting on the current state of affairs concerning the system, the former Prime Minister (the head of the Law and Justice) Jaroslaw Kaczynski declared that his government, although „tough” in the negotiations supported its installation regardless whether “certain capital cities” like it or not<sup>974</sup>. Former Defence Minister of Law and Justice, Aleksander Szczyglo, stressed that unlike during the former government time, the declarations of the new Prime Minister and the members of his cabinet question the very necessity of installation of the anti-missile shield on the Polish territory<sup>975</sup>.

On the other hand, the head of the Left and Democrats parliamentary club, Wojciech Olejniczak, stresses that in principle the Left has an opposite position towards the anti-missile shield than that represented by the right-wing parties and that his group will press for holding a nation-wide referendum over the issue<sup>976</sup>. The two socialist Polish deputies to the European Parliament signed the Greens’ appeal to table the anti-missile question during the debates of the EP<sup>977</sup>.

The public opinion position vis-à-vis the shield from June to November 2007 presented rather steady percentage of those opposing the shield (answers: rather against and decisively against): 60% in June 2007, 55% in July 2007, 56% in August 2007 and 57% in November. On the other hand, the number of those supporting the shield (for and rather for) was respectively: 18% in June 2007, 28% in July, 28% in August and 24% in November 2007.

<sup>971</sup> Prime Minister Tusk during the meeting with Slovakia’s Prime Minister Fico in Bratislava, PAP [Polish Press Agency], 18 January 2008.

<sup>972</sup> Source: website of Law and Justice.

<sup>973</sup> Source: PAP on 28 October 2007, after BBC.

<sup>974</sup> *Rzeczpospolita* daily after PAP, on 16 January 2008.

<sup>975</sup> Source: website of Law and Justice.

<sup>976</sup> PAP on 21 January 2008.

<sup>977</sup> PAP on 16 January 2008.

The above results, however, show quite a change in public opinion stance as compared to December 2005, when the results were as follows: 50% – for, 32% – against, 18% – undecided<sup>978</sup>.

### *Military missions to Iraq and Afghanistan*

Another issue that took relatively large coverage in the media, political discourse and public opinion surveys was the question of the continuation of Poland’s military involvement in Iraq and Afghanistan.

The new government declared Poland has already fulfilled its mission in Iraq and declared that Polish troops remain in Iraq until the end of October 2008 (the decision was endorsed by the President of the Republic). At the same time, it has been declared that the timetable for withdrawal of the troops is being implemented so that to complete the mission in the declared date in the autumn 2008<sup>979</sup>.

The largest opposition party – Law and Justice – assessed the ending of the Iraqi mission as a mistake (also in logistics terms) and the repetition of the Spanish variant<sup>980</sup>.

Left and Democrats assessed the government’s decision rather positively, stressing, however, that they would like to see the end of the mission taking place earlier – within a few months. Yet still, the October date is the one acceptable for Left and Democrats<sup>981</sup>.

Public opinion vis-à-vis Iraq mission between August and December present a steady number of opponents of Poland’s presence in Iraq (rather against and against: 80%, for and rather for 17% as of August 2007, respectively: 81% to 16% in October 2007 and 83% to 14% in December 2007)<sup>982</sup>.

The question of Polish troops presence in Afghanistan has also been the matter of political discussion and it was stressed that the nature of this NATO mission is different from

<sup>978</sup> Communiqués on survey results, CBOS, BS/106/2007, BS/112/2007, BS/133/2007 and BS/176/2007.

<sup>979</sup> *Gazeta Wyborcza* Daily, on 21 December 2007, after PAP; and *Gazeta Wyborcza* on 02 January 2008, after PAP.

<sup>980</sup> *Gazeta Wyborcza* on 15 December 2007, after PAP.

<sup>981</sup> *Gazeta Wyborcza* on 18 December 2007, after PAP.

<sup>982</sup> Communiqué on survey results, CBOS, BS/136/2007, BS/162/2007, BS/188/2007 – as compared to results of e.g. August 2003 (34% for and 60% against) or 42% for and 53% against in January 2004 – CBOS, BS/162/2007.



that in Iraq (being a commitment to the US). Poland is planning to increase its involvement in Afghanistan by another 400 people as announced by the Defense Minister on 29 December 2007. In the discussion in Polish Radio Channel 3 both the coalition and the opposition parties representatives stressed that Poland must fulfil its NATO commitments and assessed positively the government's declaration to increase the number of Polish troops in the country<sup>983</sup>.

As regards the military participation in Afghanistan, the October 2007 poll shows the figure of 77% against and rather against vis-à-vis the figure of 19% for and rather for<sup>984</sup>. The December poll shows the figures of 83% and 14% respectively and compared with earlier periodically gathered results present rather steady level throughout 2007<sup>985</sup>. This, however, compared to e.g. results from February 2002 (47% for and 42% against) signals rather decisive shift in public opinion stance<sup>986</sup>.

#### *Poland in Schengen area*

The Polish Prime Minister said during the celebration marking Poland's accession to the Schengen area on 21st December 2007: "I am really a happy man today. That bad time for Europe, this division, present in our minds and in our hearts, now belongs to the past. (...) Thanks to this, we shall all be able to move freely in the common Europe, in our common home."<sup>987</sup>

Together with Poland, also the Czech Republic, Estonia, Lithuania, Latvia, Malta, Slovakia, Slovenia and Hungary joined the Schengen area on 21 December 2007. For those countries, accession to the Schengen group means abolition of control on land borders inside the area as of 21 December and of air traffic control as of March 2008.

As a result of Poland's accession, Polish citizens may now freely travel within the Schengen area, which by now stretches over a vast part of the European continent. The abolishment of border checks was intended to eliminate waiting for a clearance, and thus to make travelling easier and faster. In common

knowledge Polish membership in Schengen has a very important symbolic meaning, however, apart from its symbolic dimension Polish citizens see practical consequences. According to TNS OBOP research, 57% of questioned Poles agree that Polish entrance to Schengen area will have positive consequences for Poland. 71% of researched population indicates benefits connected with free movement of people, but at the same time 59% perceive negative consequences and threats, indicating such problems as drugs smuggling and traffic of other dangerous articles. Poles also indicate that presence in Schengen will help a more sufficient prosecution of criminals.

Beside positive consequences for Poland and Polish citizens, respondents also notice negative effects of Polish membership. Almost 30% of respondents are anxious about the situation of Poland's Eastern neighbours from Ukraine, Belarus and Russia for whom procedures to enter Poland will be more complex and expensive<sup>988</sup>.

After Polish accession to the Schengen area, the Ministry of Foreign Affairs has restricted the policy of visa concession for citizens of Ukraine, Belarus or Russia. It is estimated that the number of given visa for Ukrainian citizens decreased around half of the number as before the accession.

From an economic point of view, Polish accession should have positive applications for the condition of Polish economy. What is pointed out by the Ministry of Economy<sup>989</sup> is that this accession could bring changes in some aspects of market activity in the Eastern part of the country. The turnover on border markets could decline, as well as in local restaurants and hotels, for which main income source were clients from Eastern border. Already at the end of December and beginning of January, as estimate custom officers, the number of Belarus citizens crossing Polish-Belarus border has diminished around two-thirds. According to specialists, the new situation could also influence unemployment rate in the region, especially in segments of economy where the lack of Polish work force could be seen. Many Polish entrepreneurs (especially in building sector) face now problems linked with the very limited number of

<sup>983</sup> Polish Radio Channel 3, quoted by [www.money.pl](http://www.money.pl) on 29 December 2007.

<sup>984</sup> Communiqué on survey results, CBOS, BS/172/2007.

<sup>985</sup> Communiqué on survey results, CBOS, BS/188/2007.

<sup>986</sup> Communiqué on survey results, CBOS, BS/172/2007 and BS/188/2007.

<sup>987</sup> See: <http://www.kprm.gov.pl>.

<sup>988</sup> TNS OBOP research made on representative sample in age over 18, see: <http://wiadomosci.gazeta.pl>.

<sup>989</sup> Ministry of Economy „Polska w strefie Schengen” (Poland in Schengen Zone), see: <http://www.mg.gov.pl>.

workers available on the market. Visa restrictions applying to foreigners from Eastern borders means another problem for employers, it is estimated that around 100.000 of workers on Polish building sites are from countries from Eastern borders. Building companies appeal to Polish authorities for liberalisation visa procedures to allow and encourage foreigners to work in Poland<sup>990</sup>.

It is worth mention that before last December the Polish Government agreed on "Karta Polaka" to allow and facilitate multi-entrance and repayment visa system for Polish compatriots from Eastern borders.

#### Current issues

### Portugal\*

#### Portuguese EU Presidency: relations with Brazil and Africa

During the Portuguese Presidency of the EU, European affairs can be said to have dominated Portuguese media and the political agenda to a much larger degree than is customary. Naturally, other concerns namely with the economy, which is growing more than in previous semesters but still below the EU average, and with unemployment, which may or may not have stabilised at a high level for what is traditional in Portugal, 8%.

In terms of other questions with significant coverage in the media and salience for European affairs perhaps the most significant are related to relations with Brazil and Africa.

Portugal and Brazil have a long common history enhanced in recent years, by increasing Brazilian immigration to Portugal, as well as, in fact to other European countries, namely the UK. The EU-Brazil summit was a high priority in the Portuguese EU Presidency, as an opportunity to enhance EU-Brazil links, a permanent Portuguese concern since it became a EU member, not least because the few but vocal and influential Portuguese voices more critical of membership always pointed to it being detrimental to special relationships with Portuguese speaking countries.<sup>991</sup> Therefore one of the priorities of successive governments after 1986 has been to show that EU membership and a strong relationship with

Brazil and Lusophone Africa are perfectly compatible. The launching of a Strategic Partnership and the development of sectoral dialogues were some of the concrete outcomes of the summit, these are to be developed as complementary to EU-MERCOSUR relations.<sup>992</sup>

It can be argued that, together with the Reform Treaty, the EU-Africa Summit was considered the most important priority of the presidency, and a particularly difficult one due to the tensions between a number of EU member states and African states. Portuguese commentators engaged heavily in the debate on the outcome of the summit. Some saw it as an historical change of paradigm, from colonial and neo-colonial to really post-colonial.<sup>993</sup> An urgently needed European – and actually very detailed and concrete response for what is the norm in summits, even those with less participants and less tension – to some of the key global challenges of the twenty-first century.<sup>994</sup> But there were also those who focused on the difficulties to reach agreements on economic matters and on the negative impact of the presence of President Mugabe, an issue that dominated the international coverage of the summit.<sup>995</sup> From the official point of view, however, the summit was a success and that seems to have been the prevailing view. Even the absence of some European countries and visible difficulties in making the summit happen, was seen as positive, further enhancing the standing of Portugal as particularly committed to Africa and to enhancing EU-Africa relations.

Profiting from this enhanced international visibility due to the EU Presidency, Portuguese civil society, often in conjunction with global NGOs, mobilised for civic actions related with international affairs. This was particularly evident regarding appeals for international intervention to stop the genocide in Darfur and other human rights issues, such as the European declaration on the death penalty.

<sup>990</sup> See: [www.tvn24.pl](http://www.tvn24.pl).

\* **Institute for Strategic and International Studies.**

<sup>991</sup> Carmen Fonseca, *A Primeira Cimeira Portuguesa*, IPRI Occasional Paper (24, 2007).

<sup>992</sup> EU-Brazil Summit Joint Statement, available at: [http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pr\\_essData/en/er/95167.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pr_essData/en/er/95167.pdf).

<sup>993</sup> See Teresa de Sousa, 'O teste africano da União Europeia', *Público* (10.12.2007).

<sup>994</sup> Idea expressed by Ambassador Martins da Cruz, former Ministry of Foreign Affairs, in an interview on RTP (8.12.2007).

<sup>995</sup> On the official positions by the political parties about the EU-Africa Summit, see Sofia Branco, 'PSD e PCP reagem à Cimeira', *Público* (9.12.2007).

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 Current issues
 

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 Romania\*
 

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 European Parliament elections, 'Italian affair', tax issues
 

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*The first-ever European Parliament elections*

The Romanian citizens were invited to cast their vote on November 25, 2007 in the first European Parliament elections taking place in the country after Romania joined the EU. The European Parliament poll took place simultaneously with a referendum called by President Traian Băsescu on the introduction of a radical uninominal voting system in Romania. The decision to simultaneously hold the two votes has been criticized by a large part of national media and a few political parties, pointing out the risk of distorting a historic moment – the first European poll in Romania – through its overlapping with an exclusively national political issue.

Less than 50% plus one of the voters attended the referendum on the uninominal voting system, therefore it has not been validated. However, 81.35% of the Romanian voters attending the referendum (26.49% turnout) supported the changes proposed by President Băsescu that a two-round uninominal voting system be introduced in Romania.

As for the European Parliament vote, the first-ever European elections held after the accession were also seen as a major test for most political parties before the general elections planned for 2008<sup>996</sup>. The Democratic Party (PD) gathered 13 seats in the European Parliament, the Social Democratic Party (PSD) – 10 seats, the National Liberal Party (PNL) – 6 seats, the Liberal Democratic Party (PLD) – 3 seats, the Hungarian Democrats (UDMR) – 2 seats, and the only independent candidate, the bishop Laszlo Tokes, joined also the EPP Group.

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 \* European Institute of Romania.

<sup>996</sup> According to the Central Electoral Office, the results for the EP elections are as follows: the Democratic Party (PD, member of EPP) - 28.81%; the Social Democratic Party (PSD, member of PES) - 23.11%; the National Liberal Party (PNL, member of ALDE) - 13.44%; - the Liberal Democratic Party (PLD, joined the EPP Group) - 7.78%; the Hungarian Democrats (UDMR, joined the EPP Group) - 5.52%; the Independent candidate Laszlo Tokes - 3.44%; and below 5% threshold: New Generation Party (PNG) - 4.85; Greater Romania Party (PRM) - 4.15%, Conservative Party (PC) - 2.93%, National Initiative Party (PIN) - 2.43%. The turnout was of 29.46%.

The MEP Graham Watson, leader of the Liberals and Democrats in the EP seems to be satisfied with the results of Romanian liberal bloc, stressing the importance of rejecting the far right extremism on the occasion of the first European elections in Romania: "I have spoken to PM Tăriceanu and congratulated him on the results! Liberals can be satisfied with at least 6 MEPs to work with in the European Parliament as champions of openness, tolerance and entrepreneurship (...) However the overall turnout was disappointingly low which suggests that Romania still needs to be convinced of the importance of decision-making at EU level. As concerns the parallel vote on the referendum on electoral reform, I suspect most people understood that it was not aimed at improving the governing of the country but was part of the on-going political battle which Băsescu is playing in Romania."<sup>997</sup>

The victory of the Romanian Democratic Party (and implicitly of the EPP Group) gave to the Romanian leader of the democrats, Mr. Emil Boc, the opportunity to highlight the fact that his party (in opposition since 2006, after the splitting of the leading liberal-democrats political alliance) is currently the strongest political force in Romania.

*The expulsions of the Romanian citizens from Italy*

Following a crime committed in Rome by a Romanian migrant of Roma origin, the Italian government, convened in an extraordinary meeting, issued on 31<sup>st</sup> of October 2007 a Decree allowing the expulsions of EU citizens "for reasons of public safety". Both the timing of this Decree and the statements with a distinct flavour of ethnic profiling made in its wake by Rome mayor, Mr. Walter Veltroni, to the effect that "in the first seven months of the year, Romanians made up 75 percent of those who raped, stole and killed. We clearly have a specific problem" [*emphasis added*], seemed to point to the fact that Romanian citizens were the prime targets of this measure. After Romanian Prime Minister Călin Popescu-Tăriceanu decided, following a discussion with his Italian counterpart, Mr. Romano Prodi, to dispatch a team of criminal police investigators to support the Italian police, the Romanian government – concerned also by what had started to look as indiscriminate accusations targeting the whole Romanian community in

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<sup>997</sup> ALDE Group Press Release, November 26, 2007.

Italy – took also the decision to challenge the legality of the above-mentioned Decree from the standpoint of the relevant *acquis* (Directive 2004/38/EC). The Romanian Department for European Affairs has identified some important lapses in the contentious Decree<sup>998</sup>, the matter being subsequently the object of a heated debate in the European Parliament. In this context, Commission Vice-President Franco Frattini told MEPs that the Commission's position relative to the Decree will depend on its "final version" (namely on the version which will have been validated by the Italian Parliament), although the measure in question was already being implemented. On this occasion, Commissioner Frattini faced a barrage of criticisms. For instance, ALDE Chairman, Mr. Graham Watson, asked him to "focus" on his current responsibilities, rather than on the ones he might be called to assume in his native country. Other MEPs also accused Mr. Frattini of having suggested, in an earlier interview for the Italian media, that the "crisis" could have been avoided, had the Prodi government not lifted all restrictions to the free circulation of citizens from the New Member States.

At the end of the day, on 15 November 2007, a non-binding resolution was adopted which called for amendments to the Italian Decree so as to make it compatible with the Directive. The resolution seems to have vindicated, at least in part, the Romanian above-mentioned objections.

The legal controversies concerning the Decree have been accompanied, both in Italy and Romania, by a sustained press coverage with over-emotional and, at times, xenophobic overtones. In the meantime, the atmosphere has cooled down significantly, so that one might legitimately expect that any possible bilateral disputes regarding the new text and its implementation will unfold in a less publicized and more rigorous manner.

#### *The car registration tax issue*

A subject directly related to the "hard core" of the *acquis* (i.e., free movement of goods) has come to make the headline of the news in the

<sup>998</sup> The "public security" reasons justifying an expulsion decision were defined wider than allowed by the relevant Directive; the compression, under the standard 30 days period provided by the Directive, of the deadline for expulsion; and the stipulation of criminal sanctions for expelled citizens found in Italy during the interdiction period without having made a prior notification to the Italian consulates in their own states of origin.

last two months of the year, while also triggering a judicial first in Romania. This is the case of a *car registration tax*, instituted shortly before Romania's accession, which heavily discriminates against second hand imported cars. After issuing a letter of formal notice in March 2007, the Commission decided to take the second step in the infringement procedure, by issuing a reasoned opinion in November. The authorities are currently in the process of amending the relevant legislation. The meaning of this case goes beyond the mere technicalities of one among many infringement procedures against a Member State. On the one hand, because the opposition has seized this occasion for criticizing the Government from the high ground offered by the Commission's judgment, and a motion to this effect was to be debated in Parliament in the second week of February. On the other hand, and more importantly, an individual's challenge of the controversial legislation has led, in October 2007, to the first case ever of a Romanian court declaring illegal a piece of legislation on grounds of non-conformity with the EC Treaty. The case is not closed, as the appeal procedure is unfolding, but its significance deserves being highlighted.

#### Current issues

#### Slovakia\*

#### Adoption of the Euro and the completion of EU membership

Slovakia's priorities within the European Union are still largely connected with the successful completion of EU membership. After entering the Schengen regime in December 2007 the goal of adopting the euro on 1 January 2009 represents Slovakia's most important topic of domestic EU discourse. On 30 January 2008 the European Commission published its analysis of Slovakia's convergence program. The Commission sees growing inflation as the biggest risk for Slovakia and it recommends a stricter budgetary policy. Yet, Slovakia's government argues that it is already saving enough.<sup>999</sup> While at the moment the Slovak economy does seem to comply with the Maastricht criteria, the final decision by the European Commission on whether or not to recommend Slovakia's entry into the eurozone is going to depend in part on the assessment of Slovakia's potential to sustain its commitment to the Maastricht criteria. While

\* Slovak Foreign Policy Association.

<sup>999</sup> "Bratislava oponuje Bruselu", SME, 31 January 2008.



Slovakia's chances to adopt the euro next year are looking solid, they are by no means certain.

#### Current issues

### Slovenia\*

#### Presidential elections, governmental disturbances, EU Presidency

##### *Presidential Elections*

The attention in internal affairs in the second half of 2007 was turned to the Presidential elections. Professor Dr. Danilo Türk was elected as third President of the Republic since Slovenia's independence. Initially, there had been 13 presidential candidates, eventually only seven candidates remained (besides Danilo Türk also Lojze Peterle, Mitja Gaspari, Zmagog Jelinčič, Darko Krajnc, Elena Pečarič and Monika Piberl) (one of the candidates resigned his candidature since the only purpose of his campaign was actually to make a film titled *Gola resnica* – Naked Truth to expose the faultiness in the electoral process in Slovenia). The first part of the campaign (which began already almost a year ago) seemed uninteresting as Lojze Peterle, MEP of the European People's Party, was perceived far in the lead. Since Dr. Türk was a newcomer to the domestic political scene previously acting in the UN system as Slovenian Ambassador, it was estimated that a well known former finance minister and previous Governor of the Bank of Slovenia, who also lead Slovenia on the path to Euro, Mitja Gaspari, would be going to the second round together with Mr Peterle. However, Mr Gaspari lost to Professor Türk by a very narrow margin of less than 4.000 votes (out of 1.005.595 people who voted). The final result of the elections in the second round was 31,97 per cent for Peterle and 68,03 per cent for Professor Türk.<sup>1000</sup>

There have been quite a few surprises in the campaign and also in the final outcome. Mr Peterle received an unconvincingly poor result already in the first round (28,73 per cent) after being held a favourite since the beginning of the campaign. After the elections, in his public statements Mr Peterle claimed that he was too

\* Centre of International Relations.

<sup>1000</sup> Data taken from the Voting Commission of the Republic of Slovenia, Elections of the President 2007, available in English at: <http://www.volitve.gov.si/vp2007/en/index.html> (last access: 25 January 2008).

closely associated with the governmental policy (he received official support by the government during the campaign). The government at the time had low public support and the Prime Minister Janša even proposed a vote of confidence in the Parliament immediately following the elections (see below under Governmental disturbances).

The third big surprise was a high percentage of votes (19,16 per cent) received by an extreme right winged (nationalist) candidate Zmagog Jelinčič, President of the Slovenian National Party, who, in the course of the campaign, was often criticized for his use of hostile language especially regarding the unresolved bilateral Slovenian-Croatian issues.<sup>1001</sup>

##### *Governmental disturbances*

During the summer of 2007 three Ministers have been replaced, namely the Minister for Health Andrej Bručan, Minister for Transport Janez Božič and Minister for Higher Education, Science and Technology Jure Zupan.<sup>1002</sup>

In November the result of the Presidential elections caused another disruption. The government-supported candidate, Mr Peterle, received only one third of all votes in the second round of elections, which the government understood as a public vote of non-confidence in its policy and even proposed a vote on confidence in the Parliament. Governing coalition and Prime Minister stayed in position with 51 votes for and 33 against the support to the government in the vote of confidence (out of 90 seats in the Parliament).<sup>1003</sup> The debate was heated, calculating the odds for a technical government or for Mr Pahor, MEP, President of the Slovenian Democrats, the opposition party with the biggest support in the polls, to be given a mandate to form a government.

<sup>1001</sup> RTV SLO (3 January 2008), 2007: Sledi leta v Sloveniji [2007: Traces of the year in Slovenia], available at: [http://www.rtvslo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=1&c\\_id=159859&tokens=predse dni%C5%A1ke+volitve+slovenija](http://www.rtvslo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=1&c_id=159859&tokens=predse dni%C5%A1ke+volitve+slovenija) (last access: 13 January 2008).

<sup>1002</sup> RTV SLO (3 January 2008), 2007: Sledi leta v Sloveniji [2007: Traces of the year in Slovenia], available at: [http://www.rtvslo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=1&c\\_id=159859&tokens=predse dni%C5%A1ke+volitve+slovenija](http://www.rtvslo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=1&c_id=159859&tokens=predse dni%C5%A1ke+volitve+slovenija) (last access: 13 January 2008).

<sup>1003</sup> RTV SLO/STA (19 November 2007), Vlada po pričakovanjih prejela zaupnico [As expected, the Government received a confidence vote], available at: [http://www.rtvslo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=1&c\\_id=157780&tokens=slovenija+vlada](http://www.rtvslo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=1&c_id=157780&tokens=slovenija+vlada) (last access: 25 January 2008).



However, the opposition was very much opposed to changes in the government. Their arguments (as well as those of the coalition itself) rested on the belief that it would be unwise to change government at the time when Slovenia takes on the role of the Presidency of the EU, as well as that they (opposition) wants to be given a mandate by the parliamentary elections.

### *High inflation*

Slovenia has the highest inflation rate within the Eurozone. Average yearly inflation rate in the Eurozone for 2007 was 3,1 per cent but it amounted to 5,7 per cent in Slovenia.<sup>1004</sup> However, experts claim that introduction of Euro is not the cause of this high inflation rate. This was pointed out also by the European Commissioner for Economic and Monetary Affairs Joaquim Almunia.<sup>1005</sup> Nevertheless, the prices of some basic food commodities have risen even up to 30 per cent and workers within the public and private sector trade unions have demanded higher salaries and have threatened with a general strike. The latter was scheduled for 31 January 2008 and eventually cancelled on 25 January as the agreement for a 3,4 percent raise of the (occupation-specific) minimum wage was stroke between the government and the trade unions.

### *Presidency of the EU*

Slovenia assumed the Presidency of the EU as the first of the new member states, who acceded to the EU in 2004. A common, 18-month programme of the Presidency was prepared by a so called 'Trio', three successive countries holding the Presidency (Germany, Portugal, Slovenia), in cooperation with the General Secretariat of the Council.<sup>1006</sup>

<sup>1004</sup> RTV SLO (14 December 2007), Slovenija z najvišjo inflacijo v evroobmočju, EU: Najvišja inflacija od uvedbe evra [Slovenia with the highest inflation in the eurozone: the highest inflation after the introduction of Euro], available at:

[http://www.rtvlo.si/modload.php?&c\\_mod=news&op=sections&func=read&c\\_menu=16&c\\_id=160052&tokens=inflacija+slovenija](http://www.rtvlo.si/modload.php?&c_mod=news&op=sections&func=read&c_menu=16&c_id=160052&tokens=inflacija+slovenija) (last access: 25 January 2008).

<sup>1005</sup> RTV SLO (4 December 2007), Inflacija ni povezana z evrom [Inflation is not connected to Euro], available at: [http://www.rtvlo.si/modload.php?&c\\_mod=news&op=sections&func=read&c\\_menu=16&c\\_id=159115&tokens=inflacija+slovenija](http://www.rtvlo.si/modload.php?&c_mod=news&op=sections&func=read&c_menu=16&c_id=159115&tokens=inflacija+slovenija) (last access: 25 January 2007).

<sup>1006</sup> Ministry for Foreign Affairs of the Republic of Slovenia, Predsedovanje Slovenije EU [Slovenian Presidency of the EU], available at: [http://www.mzz.gov.si/si/zunanja\\_politika/evropska\\_unija/predsedovanje\\_slovenije\\_eu/](http://www.mzz.gov.si/si/zunanja_politika/evropska_unija/predsedovanje_slovenije_eu/) (last access: 12 January 2008).

Priorities of the Slovenian Presidency are:

1. The future of the Union and timely entry into force of the Lisbon Treaty
2. Successful launching of the new Lisbon Strategy cycle
3. A step forward in addressing climate-energy issues
4. Strengthening of the European perspective of the Western Balkans
5. Promoting the dialogue between cultures, beliefs and traditions in the context of the European Year of Intercultural Dialogue.<sup>1007</sup>

The Slovenian Presidency Programme Si.nergy for Europe is available online in English: <http://www.eu2008.si/si/>.

### *Relations with Croatia*

Slovenia and Croatia have not been able to resolve their open border issues. Slowly an arbitration option was on the table. Slovenia proposed that the issue of border between the two states should be solved by Court of Conciliation and Arbitration established within the framework of the Organization for Security and Cooperation in Europe (OSCE). Croatia proposed the border issue to be submitted to the International Court of Maritime Law in Hamburg. A compromise was proposed to be the International Court of Justice in The Hague; however this solution again remains unconfirmed despite approval in principle made by Prime Ministers of both countries at Bled on 26 August 2007. Three other issues remain open – debts to Croatian bank-account holders of the *Ljubljanska banka*, disposal of nuclear waste and payment for the energy supplied to Croatia from a co-owned Nuclear Power Plant in Krško, Slovenia; and Croatian self-proclaimed Ecological-Fishery Zone (EFZ) in the Adriatic Sea –,<sup>1008</sup> of which the latter has been the source of most debate in the last few months.<sup>1009</sup> The EFZ was scheduled to come

<sup>1007</sup> Slovensko Predsedstvo EU 2008: Program in prednostne naloge Slovenskega Predsedstva [Programme and priorities of the Slovenian Presidency], available at: [http://www.eu2008.si/en/The\\_Council\\_Presidency/Priorities\\_Programmes/index.html?](http://www.eu2008.si/en/The_Council_Presidency/Priorities_Programmes/index.html?) (last access: 25 January 2008).

<sup>1008</sup> For the history of the open issues, see Roter, Petra and Ana Bojinović (2005), Croatia and the European Union: a troubled relationship, *Mediterranean Politics* 10(3), pp. 447–54.

<sup>1009</sup> RTV SLO (3 January 2008), 2007: Sledi leta v Sloveniji [2007: Traces of the year in Slovenia], available at: [http://www.rtvlo.si/modload.php?&c\\_mod=news&op=sections&func=read&c\\_menu=1&c\\_id=159859&tokens=predse](http://www.rtvlo.si/modload.php?&c_mod=news&op=sections&func=read&c_menu=1&c_id=159859&tokens=predse)

into effect on 1 January 2008 (and it came into effect on that day), but it was understood, following the meeting of State-Secretaries of Italy, Croatia and Slovenia on 4 June 2004 in Brussels, that it would not be applied to the member states of the EU.<sup>1010</sup> This understanding was also mentioned by Commissioner Rehn as part of Croatia's obligations in fulfilling the criteria to begin accession negotiations.<sup>1011</sup> Croatian Prime Minister Sanader expressed his belief that the implementation of EFZ will not affect Croatia's accession negotiations to the EU. However, after the threat to freeze some of the EU accession negotiation chapters in second half of January 2008 (whereby Croatia did not close any in 2007), Croatian Prime Minister Sanader has admitted there has come to a halt in this process and called for further talks on the EFZ issue with Slovenia, Italy and the European Commission.<sup>1012</sup>

#### Current issues

#### Spain\*

#### Fight against terrorism, energy issues

Following the failure of the ceasefire negotiated by the Rodríguez Zapatero government with ETA, the fight against terrorism has become a central issue for the Spanish government and Spanish public opinion. After the assassination of two Spanish civil guards in the French village of Cap Breton (1 December 2007), France and Spain have reinforced their bilateral cooperation in the fight against terrorism. At the last bilateral Summit held in Paris on 10 January 2008 the two governments reached a crucial agreement to set up joint research teams to prevent attacks and persecute terrorists in France and Spain.

[dni%C5%A1ke+volitve+slovenija](#) (last access: 13 January 2008).

<sup>1010</sup> RTV SLO/STA (11 January 2008), "Hrvaška mora razveljaviti ERC", Sanader: Uveljavitev cone ne bo ovirala pogajanj, available at:

[http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=162278](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=162278) (last access: 13 January 2008).

<sup>1011</sup> Government's EU Gateway (6 December 2007), EU, Hrvaška in ekološko-ribolovna cona [EU, Croatia and Ecological-Fishery Zone]; available at: <http://evropa.gov.si/novice/7356/> (last access: 25 January 2008).

<sup>1012</sup> RTV SLO (Zagreb, 23 January 2008), Sanader pozval k pogovorom o ERC-ju [Sanader called to further talks on the EFZ], available at:

[http://www.rtvlo.si/modload.php?&c\\_mod=rnews&op=sections&func=read&c\\_menu=16&c\\_id=163320](http://www.rtvlo.si/modload.php?&c_mod=rnews&op=sections&func=read&c_menu=16&c_id=163320) (last access: 25 January 2008).

\* Elcano Royal Institute.

The two leaders have also encouraged an accord to halt illegal immigration and have agreed to re-launch the project of a new electric interconnection linking Figueres (Spain) and Perpignan (France).

The energy policy debate scene has recently been dominated by three issues: (1) Spain's continued status as an electricity island due to the lack of interconnections with France; (2) the relatively benign reception of the Commission's proposals for the Spanish targets for Green House Gas Emissions and Renewables; and (3) the debate over the fate of nuclear power in Spain.

The interconnections issue is a long-standing one for Spain. The extremely limited interconnection capacity between Spain and France has meant that no more than 4%-8% of Spain's electricity consumption is supported by international flows. Spanish energy security would be greatly boosted by a more integrated position with the rest of Europe, and that means much more interconnection capacity with France. Spaniards by and large attribute this state of affairs to French resistance and apathy. One theory in Spain is that the real reason behind the French attitude is that France does not want to see, really, a well-functioning integrated single European market in electricity (or gas, for that matter) because it would prejudice the positions of its electricity and gas giants (or, if you will, its "national champions"). It is more difficult to justify the Commission's "unbundling" proposals if a truly single market does not exist, at least "physically". This also means that Spain – theoretically behind the Commission's proposals – will not really fight for them passionately, at least not until interconnection capacity is more prominent.

Spain has digested its latest emissions and renewables targets from the Commission fairly well. Emissions must come down only 10% from 2005 levels (one of the softest targets among the EU-27) and renewables must make up 20% of the primary mix by 2020 (in line with the EU average and with Spain's relative position in terms of per capita income). In the wake of how Spaniards had come to feel about their original Kyoto targets (as if they had been duped into accepting excessively stringent targets, given their unexpected economic boom), these new ones have come as something of a relief.

The nuclear debate is heating up in Spain – despite the claims by nuclear proponents that there is no debate. In Spain nuclear power accounts for a bit less than 10% of the primary energy mix and somewhat less than 20% of the electricity mix. The current government has oscillated between a program to eventually phase out nuclear power completely to a more moderate position that might consider renewing certain plants over time so as to retain a certain position for nuclear energy within the overall mix (without stating what share that might feel comfortable with). A diversified but still minority coalition of interests claims that Spain simply cannot afford not to expand nuclear power, given its rising energy demand. The overwhelming majority still either claims the risks are not worth it, or that nuclear expansion will require enormous state commitment that would be better employed supporting renewables and clean coal. Still others maintain their opposition while basically ignoring the contents of the dilemma. Yet neither side in the debate has yet come to terms with the fact that there are economic and political problems with either an expansion or a contraction of nuclear power within the mix and that either move will require decades before a real impact will be felt. For better or worse, it appears that Spain is stuck with its current nuclear power contribution for a long time to come.

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#### Current issues

#### Sweden\*

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#### Domestic political change and security issues

##### *Domestic political change regarding EU policy*

Recently the two spokespersons of the Green Party – Maria Wetterstrand and Peter Eriksson – announced their change of approach to the EU, from a critical stance in line with the Party program (which includes a passage concerning the desirability of Sweden leaving the EU altogether) to a more positive stance towards the EU, referring to the EU's work on climate change issues and the enlargement of the EU (which in their opinion signals that EU is no longer a "rich man's club") as the primary movers of change. Eriksson and Wetterstrand still remain sceptical about the EU, but now

take the position that it is better to try to change the EU from within.

It is to be noted that the official party line has not changed, but there will likely be a party vote on the issue of the party's EU policy (a proposal for such a vote has been submitted by Peter Eriksson to the party congress in May of this year).<sup>1013</sup> The significance of the current change remains to be seen, but numerous commentators agree that a changed EU policy on the part of the Greens would make possible a coalition government with the Social Democrats after the next general election in 2010. Furthermore, if the party line were to change, the Left Party would be isolated (among the parties in parliament) in its substantially negative view of the EU.

##### *Security issues*

There are three main items that stand out in a national context (and that are not explicitly addressed above):

- Sweden's NATO relationship: Whereas the opposition parties are not in favour of a Swedish NATO membership and some of the opposition also being against Swedish participation in the Partnership for Peace program, there are from time to time voices in the government alliance parties raised to intensify relationship to NATO, even for membership. Most recently, the Swedish Defence Minister concluded that NATO membership may be a strategic Swedish interest. While it has been officially declared that the NATO issue will not be on the agenda during this government's office period, the issue keeps popping up.
- Of related interest are the numerous discussions and actual projects of international cooperation regarding military matters, especially training and equipment collaboration that take place in a Nordic context.
- The parliamentary defence commission recently concluded in a report that the most severe threat to Swedish security is climate change, an argument that both builds on and calls for a broadened notion of security.

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\* Malmö University/Stockholm International Peace Research Institute.

<sup>1013</sup> See the web-site of the Green party, <http://www.mp.se> and "Språkrör ändrar sig om EU-utträde" [Spokespersons change opinion about leaving the EU], Svenska Dagbladet 2008-02-27, <http://www.svd.se>.

## Current issues

### Turkey\*

#### Repercussions of the accession process

On 22 July 2007, the general elections were held in Turkey. The Justice and Development Party (AKP) was able to win the elections for the second time and formed the new government. Following the formation of the new government, the new President of the Republic was elected. Both elections took place under the pressure of tense political struggle, generally seen by external observers as an expression of the century-old conflict between secularists (or Kemalists) and Islamists. The tension still continues as the new government moves towards resolving the long lasting problems of Turkish democracy such as the freedom of expression and the minority issues. In other words, current debates on some issues such as headscarf issue, the status of Alevis, the rights of non-Muslim minorities or the Kurdish problem, determining the political agenda in contemporary Turkey denote actually problems structural in nature. After almost a century, the republic seemed to be successful in state building, having created a centralized administration and national economic structures, and in nation building, having assembled ethnic and religious groups into this institutional edifice. However, the EU accession process brings a tremendous challenge by mobilizing ethnic and religious groups that had been excluded from the centres of power by the fervent Westernisation under the republic. As verified in the Commission's Regular Reports on Turkey, the recent challenges the republican regime faces are actually a result of the mobilization of sub-national ethnic and religious groups in Turkey at European level. This situation is particularly evident in the last three (2005, 2006, and 2007) Commission reports on Turkey regarding the legal personality, property rights and internal management of non-Muslim religious communities, the status of Alevis, and the broadcasting of Kurdish and other languages. This requires Turkey to seriously engage with the capacity of sub-national social and political actors at European level. By showing how each of religious or ethnic minorities, separatists, neo-liberals, state bureaucrats, or the military determines the meaning of the terms "state", "nation", "civil

society" and "multi-level governance" in light of Turkey's European vocation, it is possible to delineate the parameters of change in state-society relations in Turkey.

Turkey has been passing from a very delicate process of democratic transition. Perceived in terms of growing societal pressures and of the human rights issue with transnational dimensions, the present challenge that Turkey faces seems to have profound repercussions on the basic governing structures of the country. Turkey increasingly feels the European pressures coupled with the demands of domestic political forces towards the reform of the state, the creation of institutional mechanisms to channel increasingly denationalised/Europeanised social dynamics and adapt to European norms. The republic receives the European impact in several terms, such as the redefinition of the political community, the empowerment of civil society and territorial restructuring. In addition to providing new opportunity structures for societal forces like the Kurdish nationalists and the Islamists, the European impact actually conditions a new mode of governance in Turkey. It pressurizes the creation of meso-governments at local and regional levels that are carefully integrated in the national government and function transparently, the introduction of a broader idea of citizenship with respect to the recognition of ethnic and religious pluralism in Turkey, and finally, the restructuring of civil society networks by supporting grassroots participation and associability.

In this context, the tasks that the current government has at its hand in Turkey can be grouped under three headings. The first task is an institutional one requiring the growing integration into the EU and open coordination with the EU countries, which would enhance the policy learning in non-political areas such as education, culture, health and social policy together with further integration in economic relations. The European issue should be considered beyond the foreign policy concerns, integrated to all areas of social and cultural life. The fragmented Europeanization in Turkey should be expanded through civil and voluntary organizations and economic integration with the rest of society. This will deradicalise the social demands arising from further democratisation of the system.

The second task is the political one, the creation of institutional mechanisms for

\* Center for European Studies / Middle East Technical University.

societal demands gaining a new momentum after the reform laws issued since 2002. The acceptance of the European criteria mobilizes the oppressed democratic demands, which might lead to an exaggerated level that would damage the domestic stability of the country and encourage the extra-democratic circles to intervene in the functioning of the system. That is why the institutionalisation of this new radical democracy needs an expanded societal consensus on the general political system. Therefore the task of the government will be to form a new level of consensus based on an inclusive, balanced, egalitarian and tolerant coalition of social forces to create the mechanisms of a consensual society.

The third task is the cultural one. Turkey's European vocation corresponds with the existing process of Westernisation defining a continuous cultural struggle in Turkey. The development of secularism in Turkey from the early nineteenth century onwards is an attempt to be similar to European countries and a struggle to be European. Denoting a change of authentic self-perception and the perception of the other, it is a process of *longue durée* in Braudelian sense. The European vocation of Turkey emerges as a new identity vocation for further integration to the West once considered as the enemy to be conquered and converted to Islam. Today, the integration to the EU – i.e. Europeanization – brings democratisation and freedoms to the hindered sectors of Turkish society under the fervent Westernisation of the Republic. But, furthering of this process will expand the messages, which might be somewhat contradictory to the traditional culture in Turkey. Therefore, one of the main tasks of the current government on the way to EU membership seems the cultural one. The current government and the subsequent ones, which will come to power in the next decades in Turkey, will be in a position to expand cultural moderation and tolerance.

pressure on Mr Brown to support Mr Blair in his candidature. Indeed, the public petition against his candidature<sup>1014</sup> is a reminder that the former Prime Minister remains a highly controversial figure in the United Kingdom.

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#### Current issues

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#### United Kingdom\*

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#### President Blair?

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A certain amount of interest has been generated by the possible candidature of Mr Blair for the Presidency of the European Council. This is not, however, a matter of wide public debate outside Westminster and specialist circles. There is certainly no public

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<sup>1014</sup> Petition against the nomination of Tony Blair as "President of the European Union", available at: <http://www.gopetition.com/online/16745.html> (last access: 04.03.2008).

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\* Federal Trust for Education and Research.

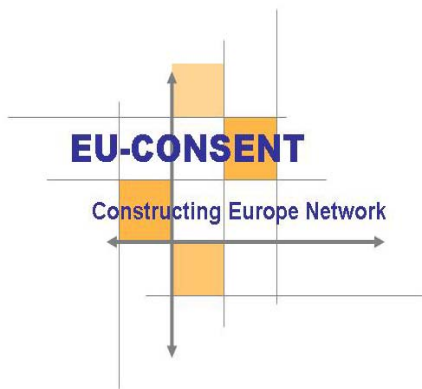


## **Chronology of main events** (between July and December 2007)

- 1 July** Portugal takes over the EU-Presidency for the second half of 2007.
- 4 July** 1<sup>st</sup> EU-Brazil Summit, Lisbon. José Manuel Barroso (President of the European Commission), José Sócrates (Prime Minister of Portugal and President of the European Council) and Luiz Inacio Lula da Silva (President of Brazil) launch a Strategic Partnership.
- 10 July** The Ecofin Council approves the adoption of the Euro by Cyprus and Malta for January 1, 2008.
- 14 July** Russian President Vladimir Putin suspends the “Treaty on Conventional Armed Forces in Europe“. The decree passed, will be effective 150 days after informing the contractual partners.
- 22 July** Turkish Prime Minister Recep Erdoğan’s party AKP (Justice and Development) wins the parliamentary elections by far and maintains a comfortable ruling majority.
- 23 July** Intergovernmental Conference (IGC), Brussels. EU member state representatives meet in Brussels for opening the IGC on a draft reform treaty to amend the existing EU treaties.
- 24 July** Fourth meeting of the Stabilisation and Association Council between the EU and the former Yugoslav Republic of Macedonia, Brussels.
- 1 August** Bulgaria and Romania become full members of Europol.
- 27 August** French President Nicolas Sarkozy holds a speech on foreign policy suggesting that the EU should establish a committee of 10 "wise men" to think about the future of the Union in 2020.
- 28 August** The Turkish parliament elects previous Foreign Minister Abdullah Gül as new State President. Gül, candidate of the ruling party AKP, had failed the necessary two-thirds majority in the first two ballots, this time he wins the ballot by simple majority.
- 3 September** European Neighbourhood Policy Conference (“Working Together – Strengthening the European Neighbourhood Policy”), Brussels. First meeting ever of Ministers and civil society representatives from all of the ENP countries and their counterparts from the European Union.
- 12 September** European Commission releases a public consultation paper in view of the 2008/2009 budget review (“Reforming the Budget, Changing Europe”).
- 14 September** 11th EU-Ukraine summit is held in Kiev. The leaders of the EU and Ukraine (José Sócrates, José Manuel Barroso, Javier Solana and Viktor Yushchenko) reaffirmed strong and sustained ties between the Parties.
- 10 October** The Second Ministerial Troika within the framework of the South Africa-EU Strategic Partnership is held in Tshwane, South Africa.
- 11 October** 12th ECOWAS-EU Ministerial Troika Meeting takes place in Ouagadougou, Burkina Faso.

- 15 October** An EU-Montenegro Stabilisation and Association Agreement (SAA) and interim agreement is signed in Luxembourg.
- 18-19 October** Informal Summit/Session of the Intergovernmental Conference, Lisbon. EU's 27 Heads of State and Government agree on a precise text for the reform treaty.
- 21 October** Parliamentary elections in Poland. Donald Tusk's Party (PO) wins over Jaroslaw Kaczyński's PiS. On November 16<sup>th</sup>, Tusk becomes Polish Prime Minister, governing in a coalition of PO and PSL.
- 26 October** 20<sup>th</sup> EU-Russia Summit, Mafra (Portugal). Russian President Vladimir Putin, Foreign Minister Sergei Lavrov, José Sócrates (Prime Minister of Portugal and President of the European Council), José Manuel Barroso (President of the European Commission) and Javier Solana (High Representative for the Common Foreign and Security Policy) discuss mainly energy issues. Putin criticizes European plans to restrict Russian investment in EU energy distribution networks.
- 5-6 November** 9<sup>th</sup> Euro-Mediterranean Foreign Affairs Ministers Conference, Lisbon. Agreement on the priorities for 2008. Commitment to pursue the Barcelona Declaration objectives.
- 6 November** European Commission releases "Enlargement Strategy and Main Challenges 2007-2008", its annual strategy document on EU enlargement.
- 7 November** Enlargement Commissioner Olli Rehn announces to initial the Stabilisation and Association Agreement with Serbia. The Agreement could be signed at the earliest in January 2008.
- 15 November** European Parliament resolution on strengthening the European Neighbourhood Policy.
- 28 November** 10<sup>th</sup> EU-China Summit, Beijing. Chinese Premier Wen Jiabao, José Sócrates (Prime Minister of Portugal and President of the European Council) and José Manuel Barroso (President of the European Commission) made an overall review of the bilateral relations and welcomed the progress that has been achieved since 1998.
- 30 November** Russian President Vladimir Putin signs an act of parliament that relieves Russia of all duties regarding the "Treaty on Conventional Armed Forces in Europe", effective from December 12.
- 8<sup>th</sup> EU-India Summit held in Delhi. Prime Minister Manmohan Singh, External Affairs Minister Shri Pranab Mukherjee and Minister of Commerce and Industry Shri Kamal Nath on the Indian side and José Sócrates (Prime Minister of Portugal and President of the European Council), José Manuel Barroso (President of the European Commission), Peter Mandelson (Commissioner for Trade) reaffirmed the Strategic Partnership launched in 2004.
- 3-15 December** United Nations Climate Change Conference in Bali, Indonesia. Negotiations on a successor to the Kyoto Protocol dominate the conference. Central outcome is the so-called Bali roadmap which is a negotiating mandate for a follow-up agreement to Kyoto.
- 5 December** European Commission releases the communication "A Strong European Neighbourhood Policy".

- 8-9 December** EU-Africa Summit, Lisbon. Africa-EU Strategic Partnership.
- 12 December** Signature of the Charter of Fundamental Rights in Strasbourg. The Charter is proclaimed by José Sócrates (Prime Minister of Portugal and President of the European Council), José Manuel Barroso (President of the European Commission) and Hans-Gert Pöttering (President of the European Parliament).
- 13 December** Signing ceremony of the “Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community”, Lisbon. It is intended that the treaty would come into force on January 1, 2009.
- 14 December** European Council, Brussels. Agreement on establishing a “reflection group 2020-2030” to consider Europe’s future. The group will be headed by former Spanish Prime Minister Felipe Gonzáles. The European Council also expresses the EU's readiness to assist Kosovo in the path towards sustainable stability, including an ESDP mission and a contribution to an international civilian office as part of the international presences. Nevertheless, there is no consensus within the EU on the future status/recognition of an independent Kosovo.
- 21 December** Nicolas Sarkozy (President of the French Republic), Romano Prodi (Prime Minister of Italy) and José Zapatero (Prime Minister of Spain) launch the “Appeal of Rome” calling for a Mediterranean Union.
- 21-22 December** Enlargement of the Schengen area. The following nine countries join the Schengen agreement: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.
- 1 January** Slovenia takes over the EU-Presidency for the first half of 2008.



## WIDER EUROPE, DEEPER INTEGRATION?

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EU-CONSENT is a network of excellence for joint research and teaching which stretches across Europe.

EU-CONSENT explicitly addresses questions related to the **mutually reinforcing effects of EU deepening and widening** by analysing the integration process to date and developing visions and scenarios for the future of the European Union. The thematic focal points of the network are organised in five thematic “Work Packages”:

1. **Theories and Sets of Expectations** (responsible: B. Laffan/W. Wessels)
2. **Institutions and Political Actors** (responsible: E. Best)
3. **Democracy, Legitimacy and Identities** (responsible: M. Karasinska-Fendler)
4. **Economic and Social Policies for an Expanding Europe** (responsible: I. Begg)
5. **Political and Security Aspects of the EU’s External Relations** (responsible: G. Bonvicini)

The network involves 52 institutional partners, including 27 universities, approximately 200 researchers and 80 young researchers from 22 EU member states and three candidate countries. The project started working in June 2005 and is scheduled until May 2009.

The results of the network’s activities will be incorporated in the following **special EU-CONSENT products**:

- **EU-27 Watch**, an analysis of national debates on EU matters in all 27 member states as well as two candidate countries (responsible: B. Lippert).
- **WEB-CONSENT**, the project’s website at [www.eu-consent.net](http://www.eu-consent.net), containing all relevant information and announcements (responsible: M. Cricorian).
- **EDEIOS Online School**, presenting a core curriculum of conventional and virtual study units on EU deepening and widening (responsible: A. Faber).
- **a PhD Centre of Excellence**, consisting of integrating activities for young researchers such as six summer/winter PhD schools (responsible: A. Agh).
- **an E-Library**, containing resources and papers available online as well as literature lists for all thematic focal points of the project (responsible: A. Faber/M. Cricorian).

