

# Resolution on the 2009 progress report on Croatia

2009/2767(RSP) - 10/02/2010 - Text adopted by Parliament, single reading

The European Parliament adopted by 582 votes in favour to 24 against with 37 abstentions a resolution tabled by the Committee on Foreign Affairs on Croatia.

It notes that Croatia's successful accession would give **positive impetus to the process of European integration in the rest of the Western Balkans region** and that the prospect of EU membership is a powerful incentive for political and economic reforms and strengthening peace and stability.

**General remarks:** Parliament commends Croatia for its continued progress in meeting the criteria governing accession to the Union as well as the obligations of membership. It welcomes the resumption of EU-Croatia negotiations on 2 October 2009, after more than nine months of blockage, which was due to the border dispute with Slovenia. It considers that the negotiations must proceed smoothly, with a view to their being completed in 2010, provided that Croatia meets all the opening and closing benchmarks. Members are confident that Croatia will meet and overcome the considerable challenges remaining as regards the benchmarks set out in the negotiating chapters. The country continues to pursue its reform efforts, in particular as regards the judiciary and public administration, the fight against corruption and organised crime, the promotion of minority rights including refugee return, the pursuit of war crimes trials and allowing the ICTY access to documents. Croatia must also make substantial further efforts in completing the restructuring of shipyards.

Parliament is concerned, however, that despite the broad support for EU accession existing among political parties, public support for EU membership is diminishing. It encourages the Croatian authorities and civil society to initiate more public discussions on EU membership and the consequences of accession to the Union.

**Political criteria:** whilst welcoming progress in implementing the programme of public administration reform and Croatia's participation in European Security and Defence Policy (ESDP) operations Parliament underlines that major weaknesses remain in administrative procedures as well as in the management and administrative capacities of relevant institutions. Furthermore, whilst the political will exists to combat corruption on all levels, corruption remains widespread and the administrative capacities of state bodies, including the police and law enforcement authorities, continue to be insufficient. More resolute steps are required to reform the judiciary, and significant work remains to be done concerning the strengthening of judicial independence, the creation of a more transparent selection procedure for judges and prosecutors and more efficient enforcement of court rulings. Parliament also encourages Croatia to fully cooperate with the ICTY, with specific reference to progress in finding the missing key military documents related to Operation Storm in 1995, which are to be used in the trials of some Generals.

Parliament is pleased that violent incidents against **ethnic Serbs** have diminished, police investigations have improved and the process of reconciliation between ethnic Croats and ethnic Serbs is proving to be successful. It calls on the Croatian authorities, however, to continue their efforts to combat discrimination against Roma and ethnic Serbs, primarily in the justice system, access to employment and housing. Members welcome the overall progress achieved in the field of refugee return and stress the importance of reintegration of refugees, including the reconstruction and repossession of housing, the challenging implementation of housing programmes for former holders of tenancy rights and the steps to be taken to resolve the issue of validation of pension rights.

**Economic criteria:** Parliament is pleased to note that Croatia is gradually recovering from the economic crisis and that its economic outlook is relatively positive despite rising unemployment. It calls on the

Government, however, to address the existing structural weaknesses in the economy, which necessitate deeper structural reforms as a precondition for sustainable economic growth, urging the state to reduce its strong redistributive role and to limit state intervention in the economy, to stimulate employment by reviving the somewhat rigid labour market, to remove administrative barriers for enterprises and to cut subsidies to loss-making industries.

**Assuming the obligations of EU membership:** Members are pleased to note that Croatia has improved its ability to take on the obligations of EU membership. They encourage the Croatian authorities, however, to reinforce the administrative structures and institutional capacities necessary for the proper implementation of the *acquis*, so that the country may maximise the benefits of EU membership after accession. Croatia is encouraged to move forward with privatisation, to proceed with restructuring in sensitive sectors such as agriculture, and to promote private-sector participation in infrastructure at national, regional and local level. Parliament feels that more work is required in order to enhance the capacities of procuring entities so as to apply public procurement legislation transparently and in order to significantly reduce the risk of irregularities, including fraud, given that public procurement procedures remain a major source of corruption.

**Regional cooperation:** Parliament urges the Croatian Government and the governments of the neighbouring countries to intensify their dialogue with a view to finding definite solutions to a number of outstanding bilateral issues, in particular as regards border demarcation, missing persons, property restitution and refugees as well as the extradition of citizens in cases of war crimes and crimes against humanity. It recalls the arbitration agreement reached between the Prime Ministers of Slovenia and Croatia with a view to resolving their border dispute; and requests that the Commission establish a list of members of the arbitration tribunal, comprising only highly qualified professionals with a legal background and, as far as possible, experience in arbitration. Furthermore, Parliament calls on the Croatian Government and on all Croatian political forces to act constructively so as to strengthen Bosnian sovereignty and to facilitate the ongoing constitutional reform process. The Croatian Government is asked to reconsider its policy on dual citizenship, especially with regard to Croatian citizens with permanent residence in Bosnia and Herzegovina.