Hungary: membership application and partnership, 1st April 1994

1997/2175(COS) - 17/12/1998 - Non-legislative basic document

OBJECTIVE: to present the 1998 regular report from the Commission on Hungary's progress towards accession. CONTENT: in line with the timetable of Agenda 2000 and the direction given by the European Council in Cardiff, the Commission presents a report in the form of an appraisal of the progress made by this country with regard to accession. The report examines: - the relations between Hungary and the EU, particularly in the framework of the Europe Agreement; - the situation in respect of the political conditions set by the European Council (democracy, rule of law, human rights, protection of minorities); - Hungary's situation and prospects in respect of the economic conditions mentioned by the European Council (functioning market economy, capacity to cope with competitive pressures and market forces within the Union); - Hungary's capacity to assume the obligations of membership, (in particular, the Community acquis). In concluding its report, the Commission considers Hungary's results to be positive both in economic and political terms. Particular attention should be paid, nonetheless, to fighting corruption and improving the situation of the Roma people. Furthermore, Hungary can be considered to be a viable market economy, capable of coping with market pressures in the Union. However, the country needs to respect the conditions for the integration of trade and restructuring of companies. Priority needs to be given to improving the legal framework for business and the financial sector, as well as ensuring economic growth that does not threaten the stability of the external accounts and give rise to renewed inflation. With regard to adoption of the acquis, Hungary continues to approach the approximation process in a balanced manner. The rhythm of transposition has remained steady and has generally been accompanied by the introduction of adequate institutional and financial structures. A slowdown in the pace of transposition in certain sectors such as the environment has been noted. With respect to the Accession Partnership short term priorities, the Commission notes that important progress has been made in the economic area, in the veterinary and phytosanitary sector, in strengthening regional development structures, public procurement and state aid. In terms of its administrative capacity to apply the acquis, Hungary has continued to make progress. In particular, initiatives have been taken with a view to providing training in European affairs throughout the civil service and judiciary. The National Programme for the Adoption of the Acquis should soon be revised. During the second half of 1999, the Commission will present its position on the revised version of this programme to the Council at the time when the Accession Partnership is being re-examined.