Czech Republic: membership application and partnership, 17 January 1996

1997/2180(COS) - 13/10/1999 - Supplementary non-legislative basic document

PURPOSE : To present the 1999 Regular Report on the Czech Republic's progress towards accession.
CONTENT : The report follows essentially the same structure as previous regular reports. It looks at relations with the European Union and analyses the situation in respect of the Copenhagen criteria. It addresses the question of the Czech Republic's capacity to take on the acquis and also covers judicial and administrative capacity as requested by the Madrid Council. Relations with the Union: the implementation of the Europe Agreement by the Czech Republic has been uneven, although difficulties have been resolved through the functioning of the joint institutions. Decisions were taken that were not in conformity with the Europe Agreement, including the preliminary safeguard measures for sugar imports. Most of the financial assistance has been given under the Phare programme (EUR 21 million in 1999 plus EUR 45 million for cross-border cooperation). In the years 2000-2002, total financial assistance will amount to 79M EUR for Phare, 22.1M EUR for SAPARD and between 55 and 80M EUR for ISPA, per year. Copenhagen political criteria: the Czech Republic fulfils the Copenhagen political criteria. Further efforts should, however,be made to reform the judiciary, since the situation described in last year's report remains basically unchanged. Judges are not sufficiently specialised, and training in international or Community law is not provided by the Further Training of Judges Institute. Judges also have to perform time-consuming administrative tasks. Corruption is a serious problem, and an effective policy on economic crime has not been developed. The situation of the Roma has not evolved markedly over the past year. It remains characterised by widespread discrimination, as anti-Roma prejudice remains high and protection from the police and the courts is often inadequate. Policies to counter these issues must be adequately funded. Copenhagen economic criteria: The Czech Republic can be regarded as a functioning market economy. It should be able to cope with competitive pressure and market forces within the Union in the medium term, but implementation of legal and structural reforms must be accelerated. The recent recession shows that reforms have not been sufficient. Positive macroeconomic developments have been recorded, including the narrowing of external imbalance. Special attention must be given to law enforcement and improving corporate governance. Public finances should be made more transparent. Ability to assume the obligations of membership: the pace of alignment has not picked up significantly and progress is uneven across sectors. The areas of satisfactory progress include the standards and certification, liberalisation of capital markets and the customs sector. Less satisfactory are intellectual property, public procurement and data protection, amongst others, where there has been little movement towards completing alignment. The record in meeting the short term Accession Partnership priorities is not satisfactory. Areas of concern include the internal market, justice and home affairs and the environment. Administrative capacity to apply the acquis: Limited steps have been taken towards general public administration reform. Many areas need continuing work. Structures must be set up for Common Agricultural Policy implementation. Continued attention needs to be paid to state aid monitoring capacities, enforcement of environment legislation and internal control capabilities.