

22.03.02

Decision of the Bundesrat

Bundesrat Resolution on enlargement of the European Union

In its 774th session on 22nd March 2002 the Bundesrat adopted the appended Resolution.

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Bundesrat Resolution on enlargement of the European Union

1. The Bundesrat recognises the further progress made by accession countries since the last Bundesrat Resolution on enlargement. The Bundesrat refers to the conclusions of the European Council in Laeken and in this context emphasises in particular that it is important that a differentiated approach be taken, based on the respective achievements of various countries. The Bundesrat notes that the negotiations have now entered a decisive phase, as the Commission has submitted proposals to address the chapters with budgetary implications, namely agriculture, regional policy and financial and budgetary matters, within a uniform framework (Communication from the Commission, 30th January 2002, Information Note: Common Financial Framework 2004 - 2006 for the Accession Negotiations).
2. The Bundesrat notes that progress is still needed on setting up efficient administrative and judicial authorities in the candidate countries, as stated in the Commission's 2001 progress reports. In this context the Bundesrat stresses once again that efficient and reliable structures in these spheres are of the essence to guarantee uniform application of the Community acquis. The Bundesrat welcomes the Commission's decision to adopt an Action Plan and be more active in monitoring and support of these developments in the candidate countries.

3. The Bundesrat notes that a series of transitional arrangements have been agreed in the negotiations for both candidate countries and current Member States. In this context the Bundesrat recalls its position that both sides have a legitimate interest in reasonable transitional arrangements. The Bundesrat urges the Federal government to use the possibilities conceded in negotiations to avoid potential distortion of competition.

4. The Bundesrat notes that the assumptions underpinning the financial perspectives in Agenda 2000 are outdated, because at that juncture enlargement of the EU was envisaged at a later stage, possibly with more new members. On the basis of statements by the Commission and the Council, the Bundesrat assumes that the Agenda 2000 decisions guarantee financing of regional and agricultural policy in an enlarged Union until 2006. In this context the Bundesrat recalls in particular that Agenda 2000 draws a clear distinction between planned expenditure for the EU-15 and expenditure occasioned by enlargement.

5. The Bundesrat requests the Federal government to advocate in the forthcoming accession negotiations that
 - the upper limits for the costs of enlargement indicated in Agenda 2000 for the 2004 - 2006 period are respected. In this context it should be noted that, although more countries than originally planned may join the Union, the absorption capacity of these countries after accession will however grow slowly;
 - the sums payable by accession countries to the EU budget do not signify that the net financing balance of these countries is worse after accession than prior to accession;
 - a) in the chapter on agriculture
 - the European agricultural model of sustainable, multifunctional and competitive agriculture and development of rural areas is preserved as a paradigm;
 - production quotas and eligibility for premiums in accession countries be determined on the basis of production figures from a reference

period close to the end of accession negotiations;

- any direct payments to accession countries agreed during negotiations should be introduced gradually with subsequent equal treatment as the goal, should reflect the initial situation of agriculture in each country and should not disrupt national adjustment processes.

b) in the chapter on regional policy and co-ordination of structural policy instruments

- EU policies to enhance economic and social cohesion (the Structural Funds and, where appropriate, the Cohesion Fund) shall in principle be implemented on the basis of the EU's existing legal provisions for the current planning period until 2006. Requests for waivers, in particular to exceed the upper limits for financial support, should not be granted;
- Simplified administrative provisions shall be agreed for programming of Structural Funds policies in the accession countries for the remaining duration of the Structural Funds programming period until 2006; such provisions should at the same time allow these countries to establish efficient bodies to administer funds, with a view to implementing structural policies effectively from the beginning of the next funding period;
- areas in the accession countries eligible for funding shall be determined in terms of the existing legal basis using the appropriate EU-GDP parameters. The figures taken should be as specific as possible and refer to a recent three year reference period, which is to be stipulated in the accession treaty;
- particular emphasis should be placed on funding and implementation of Community initiatives (in particular Interreg III);
- the possibilities available in the framework of pre-accession instruments for regional development (ISPA) and for adaptation of agriculture (SAPARD) should be implemented as rapidly as possible;
- strict compliance with the specific financial inspection provisions for the Structural Funds and the Cohesion Fund is guaranteed.

6. Irrespective of these statements, the Bundesrat notes that the European Councils in Berlin and Nice did not fully exhaust all the available opportunities to

fundamentally reform the EU's policies and institutional structure before enlargement. The Bundesrat reaffirms that accession negotiations may not be linked to future reforms of the EU. In the spirit of strict budgetary austerity continuing after 2006, the Bundesrat points out that both policies that occasion high levels of expenditure (regional and agricultural policy) and the EU's system of financing, including the issue of equitable burden-sharing, need reform, irrespective of the enlargement process. The Bundesrat urges the Federal government to ensure that the requisite reforms are concluded as expeditiously as possible and that the Federal states are involved in this process.

7. The Bundesrat affirms that enlargement of the European Union calls for a flanking preparatory strategy in addition to the enlargement negotiations per se in both the accession countries and the Member States. The Bundesrat considers that the German economy urgently needs structural adjustments to meet the challenge of the enlarged EU Single Market and urges the Federal government to improve the general conditions within which new competitive structures must develop. Growth sectors and new technologies must be fostered with a view to vigorously promoting structural change, especially in regions that share borders with accession countries and in other areas with below-average regional competitiveness. The Bundesrat considers that the Federation and the Federal states must strive together to overcome shortcomings in research and education policies, as these could have a negative impact on Germany as a business centre in the medium term.

With reference to its opinion of 27th September 2001 on the "Communication from the Commission on the impact of enlargement on regions bordering the candidate countries - Community action for border regions" (BR document 673/01 (Decision)), the Bundesrat welcomes the 50 million Euro increase in the budget for the Border Regions Programme for 2002 and is glad to see that the European Parliament, the Council and the Commission intend to make a further 15 million Euro available for 2003. The Bundesrat urges the Federal government to advocate that the Border Regions Programme be further improved after 2002 and that the Commission reports regularly on the impact of enlargement on regions bordering accession countries. This measure need not place an additional burden on other regions of Germany.

The Bundesrat notes that it will only be possible to manage enlargement of the Single Market if efficient transport infrastructure and properly functioning

transport markets are in place. Member States, the EU and the accession countries will have to make considerable efforts to finance the requisite development. In this context the Bundesrat recalls in particular its Decisions of 30th November 2001 on Amendment of the Guidelines for the Establishment of a Trans-European Transport Network (BR-document 852/01 (Decision)) and on the Commission White Paper on European Transport Policy for 2010 (BR-document 783/01 (Decision)).

The Bundesrat considers that to ensure full public support for this process in the Member States and the candidate countries, work on the communication strategy needs to be stepped up, emphasising the process of European integration and reunification associated with enlargement, which makes the continent as a whole stronger. The aim should not be primarily to provide more information but rather to provide better information, based on appropriate strategies focussing on target groups and interest groups and enhancing communication between politicians/the administration, the media and citizens.