
Enlargement and beyond – challenges and opportunities

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Public Speech at Charles University, delivered in framework of Workshop on European Neighbourhood Policy organised by CEFRES, DGAP and the European Commission

Prague, 10 June 2004

Mr Rector,

Thank you for your kind welcome and introduction. The opportunity to address a Czech audience in this prestigious lecture hall at Prague's Charles University is a special pleasure and honour for me.

Ladies and gentlemen,

The last time I spoke in this building, almost exactly two years ago, the most difficult final phase of the negotiations on Czech accession to the European Union was still ahead of us. We finished the negotiations on schedule in December 2002. This was crucial, because the window of opportunity started to close soon afterwards: the international situation became much less favourable during 2003. Then, the referenda on accession were won, here as well as everywhere else. Ten new member states joined the EU a few weeks ago. And now, during these very days, they all participate fully in the elections for the European Parliament. This is a success.

But let me stop being self-indulgent. There is a lot of work still ahead. Let me start by looking at the European elections, beginning with the bright side.

Coming so soon after your country's accession to the European Union, this first vote for the European Parliament is a great opportunity.

Over the past years, I had the privilege to see at first hand how the candidate countries reformed and opened up their economies and societies. I am still amazed at how far they have come.

Almost 15 years ago, the Czech people made a choice to join the European Union. With the other peoples of the region, you have put an end to the Cold War and transformed central and eastern Europe into a fast-growing, dynamic, democratically advanced region that has culturally enriched us all. The Cold War can now be seen for what it was: a bleak period of limited freedom and restricted choice.

Now we share responsibility for our own destiny. We can face the challenges together and make the right choices for us all. When the Czech Republic prepared for accession to the European Union in recent years, it had to adjust to rules on which it had no voice. By taking part in the European elections this weekend, each and every one of you will, for the first time, have the chance to contribute towards shaping the European institutions and their policies. You should not let this opportunity pass. Without the active participation of the citizens, our European Union of democratic States cannot work.

But our experience with direct European elections over the past few decades has been mixed. Participation rates have gradually declined. The election campaigns have often been lacklustre affairs. The results are often seen more as interim verdicts on national governments than as indications for future European policies. For many if not most voters, Brussels is too remote to be exciting.

This may seem strange. The European Parliament has very real powers. It decides on legislation that affects us all; The European Parliament has a decisive voice on the EU budget. And it has direct influence on the institution that I represent: the European Commission. Indeed, when the Heads of States and Governments meet next week, they will take the results of the current elections into account when they designate a new Commission president to succeed Romano Prodi from next November.

There are many explanations for this discrepancy between the objective importance of European integration and voter interest. It has been a fertile subject for political scientist for decades, and will doubtless continue to be so. Let me briefly discuss just one factor: the role of national politicians – both in national governments and in national parliaments. It is often said that national politicians take little responsibility towards their electorates for their actions in Europe. Whenever things go well they are happy to claim the credit, and for the rest, Brussels is a convenient scapegoat. They omit to explain that in Brussels the Commission makes the proposals; the decisions are taken by the Council (i.e. the national governments) and the European Parliament. The end result - all this so-called excessive bureaucracy from Brussels - is there because our national politicians wanted it to be there.

So, what is the remedy? Should we move to more direct democracy, more referenda? An interesting question: would European integration even have started if it had been submitted to referenda in the 1950s? Would some of our major achievements, such as the creation of the Euro or the recent enlargement, have taken place? . We have seen much political leadership towards European integration during the past 50 years, but rather less effort at explaining things to voters. However, the successful outcome of the accession referenda in 9 of 10 countries last year, including the one in your country demonstrated that referenda on European issues can be won.

I conclude from this, that regardless of the question whether to have the constitutional opportunity to go for a referendum or not, there is a clear need to campaign for Europe – to inform, to discuss and to convince people why our future depends on the success of the European integration also in the 21 century. By doing so we will be able to fill this gap between leadership and perception, which seems to be an urgent need.

Interestingly, this responsibility will soon be put to the test. Hopefully, next week the European Council of heads of state and government will reach agreement on the European Constitution. This Constitution will make the Union more transparent, more efficient and more democratic. But it will need to be ratified by all 25 member states before it enters into force. Quite a few member states, both old and new, have already decided they will submit the Constitution to a referendum. [And some of the opinion polls don't look very promising. So, our government leaders will have a wonderful chance to take the Constitution to their voters, explain why we need it, and defend why they approved it. So, whether or not the Constitution will be ratified, we will see much more debate on European issues soon.]

The European political agenda is very full. Let me give you a brief and partial list.

- We need to decide on the EU's medium-term budget, the so-called "Financial Perspectives" for 2007-2013, the budget for tomorrow's Union of probably at least 27 Member States. Budgets are not only about money but fundamentally about policy. We have to make sure that solidarity, the core of the European project, which is best achieved through common action, remains a priority for the Member States. The new Member States will need adequate funds for the foreseeable future so they can catch up with the older members.

- We need to give a much firmer boost to European growth and sustainable development – what we call the Lisbon agenda. If we want to achieve our goal of making the Union the world's "most competitive and dynamic knowledge-driven economy by 2010", then more efforts are needed – and globalisation leaves us few options. Competitiveness and a growth-oriented industrial policy, along with better coordination of economic policies in the Union, must be the focus of tomorrow's Commission. People throughout the Union will see and feel the difference once policies are more in line with the needs of our economy. Let us not be pessimistic. Since enlargement, our economy matches the output of the US. The growth in the new member states is impressive.

- This December, the European Council will decide on whether to open negotiations on Turkey's accession to the Union. They will base themselves on a report and recommendation from the Commission. This issue is a key remaining task for the current Commission.

- We will base ourselves on an objective analysis. The reforms undertaken in Turkey over the last years have been impressive. This will be fully reflected in our assessment.

- While we already are a dominant player in the world economy, we need to match this in the field of foreign policy by becoming much more focused and cohesive. The Constitution, with the creation of the EU foreign minister, will help in this respect. But the most important issue is not organisational, but substantive. If we don't speak with one voice, we will not be heard. If we are not heard, how can we defend our values and our interests?

The well-being, stability and peace of Europe's nations – particularly in these times of new threats – depend on our European Union. It is an anchor for our Member States and our neighbours and partners.

It is almost a platitude to say that the enlargement of the European Union on 1 May marks the beginning of a new era in European history. It is not just the end of the artificial division of Europe. It is also a fresh start. We cannot just sit back, dwell on the Herculean achievement we have just accomplished and henceforth concentrate on the internal affairs of the enlarged Union.

Having built a bigger European house, we must now continue our efforts to ensure that we live in a good neighbourhood. The European Union may now have expanded to an almost continental scale, but we cannot live in isolation. We have multiple interests in common with the world around us. And in particular, we need the countries around us to be stable, well-governed and prosperous. Our interests in close cooperation with neighbours, and in their well-being, are manifold. Of course, their prosperity can only be beneficial to us. But there is more. Only through stronger political cooperation can we hope to contain and resolve regional conflicts. How else to deal properly with legal and illegal migration, the threats of organised crime, terrorism or the proliferation of weapons of mass destruction, or with certain environmental problems? How else to address such issues as energy security or maritime safety?

Taking on our responsibilities for this region, expanding stability and prosperity in the European neighbourhood, is certainly one of the most pressing and important challenges the European Union is facing after enlargement. The European Union has now come to a point where it must define the future role it wants to play in a pan-European context. It also has to make sure that enlargement benefits our neighbours and that the emergence of new dividing lines on our continent is prevented. We cannot accept that the disappearance of the iron curtain leads to the creation of a "Brussels-lace curtain".

As a response to these challenges we have conceived the European Neighbourhood Policy, which reaches out to our Eastern as well as Mediterranean neighbours.

Let me stress that the European Neighbourhood Policy is distinct from the issue of possible further enlargement of the European Union. The policy concerns countries for which accession is not currently on the agenda. But it does not close the door to the European aspirations of any country.

Thus, the countries of the Western Balkans are not included in the Neighbourhood Policy, as they have the prospect of becoming members of the EU provided that they fulfil the criteria for membership set by the Copenhagen European Council in 1993.

As concerns Russia, the EU and Russia have decided to develop their strategic partnership further through the creation of four common spaces, as defined at the 2003 St. Petersburg summit.

The European Neighbourhood Policy offers our neighbours the chance to participate in a wide range of EU policies and activities, through greater political, security, economic and cultural co-operation. It proposes to partner countries the deepening of relations over a broad spectrum: political dialogue and reform, economic co-operation and integration, including trade, legislative approximation and infrastructure networks including energy, transport, information society and environment. We want to cooperate more with partners on research and innovation, in the area of Justice and Home affairs. We seek enhanced people-to-people contacts in education and culture, as well as the maintenance and strengthening of cross-border contacts and regional co-operation.

Far beyond the direct benefits of cooperation, there will be indirect economic benefits as well. Stable economic and political conditions will encourage cross-border trade and create a favourable environment for investment. This, in turn, will create favourable conditions for economic growth for all countries concerned.

Ultimately, the idea is to move to a substantial deepening of political cooperation based on shared values, as well as a significant degree of economic integration.

This will not be achieved easily or overnight. The level of integration achieved within the European Union is highly demanding on its members – as the new member states know only too well. Extending this integration to partner countries in our neighbourhood can only be done gradually and carefully, if it is to be to their benefit as well as to ours. For instance, we need to protect the integrity of our internal market. At the same time, this will imply challenging reforms for our partners, but they will ultimately also bring considerable benefits for them.

So much for the broad objectives of the neighbourhood policy. But how can we achieve these in practice? Over the past year, we have carefully reflected on this, and made a start. I am particularly happy that the new Member States, even before accession, have from the very beginning actively participated in the discussions that led to the creation of the new Neighbourhood concept. Many of the ideas that have come from Poland, Lithuania and others are now reflected in the policy papers on the European Neighbourhood Policy.

The main vehicle for the Neighbourhood policy will be Action Plans, concluded between the EU and each of its partners. These Action Plans will be very broad in scope, but also very precise in the actions agreed upon. We intend to avoid declaratory policy, and be as concrete and specific as possible. We need to set precise timeframes and be able to monitor whether we reach our goals.

After the policy was first endorsed by the European Council last year, we have entered into an intensive dialogue with those partner countries with which Partnership and Cooperation or Association Agreements are in force: Ukraine and Moldova to the East, and Morocco, Tunisia, Jordan, Israel and the Palestinian Authority in the Mediterranean. Together,

we have begun to define a set of priorities whose fulfilment will bring our partners and us, in the European Union, closer together.

Two overriding principles underlie our relations with the partner countries as we develop Action Plans with them - the principle of differentiation and the principle of joint ownership.

The Action Plans are tailor-made, because neither the political, social and economic situation nor the interests of the partner countries are identical. Indeed, our partners differ hugely in many respects. Action Plans therefore have to take account of each partner country's geographic location, the level of economic development, political situation, current relations with the European Union and other states, and the reform programmes the partner countries have already implemented. This differentiated approach allows neighbours to enhance cooperation with the Union in accordance with their respective needs and abilities.

How far and how fast we can go together will depend on how much we share: political values, economic systems etc. For instance, with the government of Belarus it is difficult at the moment to move very far: but once a more democratic system is in place in that country, we will obviously be very keen to develop much deeper relations with it. In the mean time, we are limited to working with the people and civil society in Belarus to foster the necessary democratic change.

The Action Plans need to be jointly owned, because the European Union does not wish to impose policies or values on neighbours. This is not our way of doing things. We sincerely believe that the Action Plans and indeed the Neighbourhood Policy itself depend for their success on jointly agreed objectives and the clear recognition of mutual interests. This is why joint ownership is a central element of our neighbourhood policy. Moreover, experience has shown that ownership is a sine qua non condition for effective implementation of political and economic reform.

The high priority the European Union accords to shaping relations with our neighbours obviously needs to be underpinned by adequate financial and technical support. While the European Union is already providing substantial financial support to the countries covered by the Neighbourhood Policy, the Commission has recently proposed that existing funds (such as the Tacis or Meda programmes) or their successors be increased significantly during our next budgetary planning period, which runs from 2007 onwards.

An even more visible token of the European Union's commitment to the Neighbourhood Policy is the creation of a specific European Neighbourhood Instrument, which will complement assistance provided under the existing financial instruments or their successors. Its central aim will be to foster contacts between people on the ground, by supporting direct cross-border cooperation, as well as regional co-operation projects involving Member States and partner countries.

For the first time ever, co-operation between beneficiaries on both sides of the European Union's external borders will be under one financial "roof", under a single management system and a single set of procedures. It will thus not only bring a radical facilitation for people working on such cross-border projects, but give the term "joint project" true value in the strictest sense.

And as to the immediate future: I am confident that the European Council next week will endorse the Commission's proposals on the Neighbourhood Policy including the inclusion of Armenia, Azerbaijan and Georgia in the Policy. This will give the European Union another important instrument to promote progress on the wider reform agenda in each of these countries.

Ladies and Gentlemen,

The enlargement of the Union on May 1 presents a significant opportunity for the Union's members and its neighbours. We must learn the lessons of the 20th century and never again build barriers between people. And no one is better placed to judge the effects of a divided continent than you.

We cannot see borders as the outer walls of a fortress, over which we look at our neighbours with suspicion. It is also not the time for the Union's members to become inward looking, only preoccupied with internecine quarrels over tax harmonisation or agricultural reform or other problems. Indeed we have to keep our common house in order. We have to deliver our objectives that we are following with the Lisbon-Strategy and those linked with our strategy to create a genuine space of peace, prosperity and security for our citizens.

One way ahead to master these goals is to encourage cooperation across borders. We must foster shared values with our neighbours. We must strive to create a virtuous circle in which political, social and economic cooperation enhance stability, which in turn facilitates cooperation. In this way, we can make sure that the 21st century is one in which the European space becomes a source of peace and prosperity.