EUROPEAN PARLIAMENT

DIRECTORATE-GENERAL FOR RESEARCH
DIRECTORATE A
DIVISION FOR INTERNATIONAL AND CONSTITUTIONAL AFFAIRS

FACTSHEET

THE CZECH REPUBLIC Chapter 1 - Freedom of movement of goods[1]

1. The acquis

Overall, the transposition of **harmonised European product legislation** represents the vast majority of the content of this chapter. The EU expects the candidate countries to apply the acquis in this chapter by the date of accession, since without this, the internal market will not function properly. As the application of this legislation poses a formidable challenge for them and it is important that their administrative capacity is up to this challenge by the date of accession, the EU has requested credible commitments on administrative capacity.

European rules governing basic technical standards, product certification and metrological definitions fall essentially into two categories - harmonised and non-harmonised:

- For **non-harmonised** goods, the guiding principle is that, if a product can be legally sold on the market of one Member State, it can be sold in all countries of the Union. Specific exceptions are enshrined in Articles 28 to 30 EC, which prohibit any other quantitative restrictions on imports and exports.
- **Harmonised** European product legislation includes rules covering conformity assessment and accreditation bodies, standardisation and market surveillance. These structures provide the framework for the new approach to European product law based on the principle of self-certification and the presumption of conformity with harmonised standards. However, some 'old approach' directives are still in force covering product groups such as pharmaceuticals, foodstuffs and motor vehicles, and these require the creation of certification and authorisation structures to administer European legislation.

[1] Information largely drawn from the European Commission, DG Enlargement: http://europa.eu.int/comm/enlargement/negotiations/index.htm

2. The negotiations

The chapter has been closed with ten countries, provisionally closed with Bulgaria and remains open with Romania. The EU has accepted transitional arrangements concerning the renewal of marketing authorisation for pharmaceuticals with five countries and concerning medical devices for one country.

Chapter opened June 1999
Status Closed December 2002 (provisionally closed in December 1999)
Transitional arrangements: none

3. Position of the European Parliament

In its resolution of 5 September 2001[1], Parliament:

- welcomes the completion of the negotiations on an additional protocol to the Europe Agreement ...on conformity assessment and acceptance of industrial products (PECA), which brings far-reaching provisions of the EU internal market into force in the Czech Republic prior to accession, thus further simplifying trade between the two sides;
- calls on the Czech Republic to put into place mechanisms necessary to link effectively to the Community's Rapid Alert System (RAS), both in terms of alerting the European Food Safety Authority (EFSA) of any serious perceived or identified risk and in terms of action to be taken by the RAS as a result of an EFSA warning.

In its resolution of 13 June 2002[2], Parliament calls on the Government to address remaining gaps and in particular to increase its efforts in alignment in areas like public procurement.

4. Latest Assessment of the European Commission [3]

In its 1997 Opinion, the Commission concluded that the Czech Republic had progressed very well in the taking on of the *acquis* related to the free movement of goods. However, there needed to be certainty that products conforming to EC standards were allowed onto the Czech market. Developments concerning the safety of industrial products needed to be monitored, both concerning legislation and implementing structures. Provided current efforts were maintained, free circulation of goods should be made possible in the medium term. Also, further work was needed to align with public procurement legislation. Furthermore the Czech Republic should make certain that any national measures were proportional and did not hinder trade.

Since the Opinion, the Czech Republic has continued to perform well in the vast majority of matters related to the free movement of goods. Overall, the Czech Republic has achieved a high degree of transposition with the *acquis* on free movement of goods. Administrative capacity is generally good.

Negotiations on this chapter have been provisionally closed. The Czech Republic has not requested any transitional arrangements in this area. The Czech Republic is meeting the majority

[1] Resolution on the state of negotiations with the Czech Republic, § 38 & 39: A5-0255/2001
[2] Resolution on the state of the enlargement negotiations, § 51: A-0190/2002

[3] European Commission, Regular Report 2002, p.55, 56
http://europa.eu.int/comm/enlargement/report2002/cz_en.pdf

of the commitments it has made in the accession negotiations in this field. However, delays have occurred on alignment with the *acquis* on public procurement. This needs to be urgently addressed.

In order to complete preparations for membership the Czech Republi's efforts now need to focus on legislative progress on public procurement, completing the structures for implementation and ensuring that any national measures are proportional and do not hinder market access.

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