

# EUROPEAN PARLIAMENT

DELEGATION FOR RELATIONS  
WITH THE COUNTRIES OF  
SOUTH-EAST EUROPE

# CROATIAN SABOR

SUB-COMMITTEE ON  
CO-OPERATION WITH  
THE EUROPEAN  
PARLIAMENT

## DRAFT MINUTES

**12th EP - Croatian Sabor Interparliamentary Meeting  
Brussels, 17 - 18 February 2004**

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**Annex: List of attendance**

The meeting opened on Tuesday, 17 February 2004 at 15h13, under the co-chairmanship of Mrs. Doris PACK, chairwoman of the EP Delegation for relations with the countries of South East Europe and Mr Neven MIMICA, chairman of the Croatian Parliament's delegation for relations with the European Parliament.

**Mrs. PACK and Mr. MIMICA** opened the meeting and welcomed the members of the two parliamentary delegations and the guests representing the European Union Institutions and the Government of Croatia.

**Mr. GAFFEY**, Director for South East Europe at the Irish Department for Foreign Affairs, on behalf of the Presidency-in-Office of the Council of the EU, said that EU relations with the countries of the Western Balkans would remain an important priority for the Irish Presidency, having been priorities of the Italian and Greek Presidencies. After the Summit of Thessaloniki, the way ahead would be carried on by the Stabilisation and Association Process, by regional co-operation and by the implementation of the various agreements related there to. However, most of the progress still to be achieved would lie in the hands of Croatia. For the EU, the momentous event of 2004 would be enlargement, and he considered that Croatia, as a democratic entity, would face realistically the challenge of preparing itself for membership of the EU. The Irish Presidency was waiting in the Spring for the Commission's opinion on the readiness of Croatia to open accession negotiations and was confident that positive remarks would be made on progress achieved in the economy and in the field of regional co-operation. In particular, for the latter, the Presidency was looking forward with concern to Croatia's progress in good relations with neighbours, and dialogue and solutions to the open issues. Croatia should also fully co-operate with the ICTY, firstly, in its own interest.

**Mr. LEIGH**, Deputy Director General at Directorate General for External Relations, on behalf of the European Commission, said that the Commission was preparing its opinion on the basis of the same principles and methodology used in the past for other would-be candidates. Information would be collected from a large number of different sources, in addition to the Croatian authorities and he was confident that the opinion would be as objective as possible. The opinion would be divided into the three classical parts, although it would essentially be concentrated on the political criteria. The first deciding factor for evaluating the respect of the political criteria would be Croatia's co-operation with the ICTY. The Commission had received a report from the Tribunal and was still in close contact with the Institution. There was an improvement in the Tribunal's access to documents in Croatia but the outstanding issue was the case of General Gotovina. The Commission had taken note of recent constructive decisions of the Prime Minister of Croatia and hoped that a positive solution of the case would appear soon. On refugees' return, the most important task was now the implementation of old and new laws, and the removal of any possible obstacle for those who would be willing to return, but there were also some alarming incidents, such as recently, the burning of a Serb returnee's house. He mentioned the recent by-elections (additional elections) for the minority representation in municipal and county government bodies, where, although results were not available yet, the turn-out had been again very low.

Judicial reform was another priority for Croatia. The Prime Minister had recently provided a list of measures to be adopted in that respect, and the Commission would follow the matter closely, as it was also very important in relation to economic development.

Coming to relations with neighbours, Mr. Leigh urged Croatia to improve them, in particular with regard to the decision to extend Croatian jurisdiction on the Adriatic Sea.

With regard to the Stabilisation and Association Agreement, he was pleased to note that the implementation of the interim Agreement was proceeding smoothly, but recently some trade and

agriculture-related provisions had been put into question, when Croatia had imposed a ban on beef meat imports from the EU.

In concluding, he confirmed that the Commission would continue to provide Croatia with technical and financial assistance.

**Mr. PLENKOVIC**, Minister Counsellor at the Mission of Croatia to the EU, representing the Government of Croatia, recalled that the presentation of his country's application for EU membership, in 2003, had been preceded by lengthy discussions, and was confident that 2004 would be recalled as a crucially important year for Croatia. He was pleased to remind parliamentarians that the President of the Republic, Mr. Mesic, would visit the European Parliament the next week. Talking about regional co-operation, he considered that the first steps of the new Government were in the right direction.

**Mr. MIMICA** recalled that the EP-Croatia interparliamentary relations were very important for his country and was proud to announce that for the present 12th meeting the Croatian delegation had a completely new composition, showing significant political choices. Talking about Croatia's application for EU membership, he was convinced that his country would soon become officially a candidate, should the same criteria applied to the countries of the "first wave" of enlargement be applied also to Croatia. After all, Croatia, in his view, was already complying with the economic criteria and with the *acquis communautaire* in legislation. As for the political criteria, he did not consider them as a list of problems impossible to resolve for Croatia, and refused to consider the opinion that Croatia would be under EU monitoring: Croatia was a partner of the EU, and the Commission would be able to help the country to fulfil the criteria.

The new Government had a 4-year working plan, in which none of the problems related to the fulfilment of the political criteria had been forgotten, but observers should understand that Croatia was coming out of a war, and not only dealing with transition from a communist to a democratic regime. Nevertheless, Croatia was not asking for a softer approach to European membership, just to be judged on the basis of the same principles applied to the other enlargement countries. He was conscious that co-operation with the ICTY was one of the main political criteria, and considered that the present co-operation was the best ever. The problem concerning General Gotovina should not be presented as why he was not yet in The Hague, but whether had Croatia done, or not, all that was possible to co-operate with the ICTY in relation with that indictee.

He concluded by introducing individually each member of the Croatian delegation.

## **1. Adoption of draft agenda**

The agenda was adopted.

## **2. Approval of the minutes of the 11th meeting of the EP-Croatian Sabor IPM, held in Zagreb on 24-25 March 2003**

The minutes were approved.

### **3. The reforms of the judiciary and of public administration**

**Mr. MIMICA** was conscious that there were many difficulties in the country in this respect, and the political class, the businessmen and the investors knew that well. An effective judicial system was much needed in Croatia, but nobody could expect it to be put in place overnight. What the Government and Parliament were planning, through a strategic reform plan for the medium term, was to shorten judicial procedures, to make them consistent with respect of human rights and European law in the national as well as in the international procedures, more efficient and characterised by more competency. To get these results, Croatia intended to launch an overall system of training for the judges. Investments were needed in the judicial sector, and he was pleased that some would come from the EU, the World Bank and the USA: 50 Million Euro would be allocated in total, for example, for the system of IT for the courts, which would also allow a more fair system of distribution of the cases between the courts (around 1.700 IT equipment had just been received at the beginning of the year); for the modernisation and updating of the property register ("cadastre", 32 Million dollars). A major problem was the huge amount of judicial procedures pending: in 2003, they were 1.4 Million, although, out of these, more than 900.000 were not trials, but litigations, inheritance procedures, execution procedures, etc. In this respect, there was a project to attribute the competence to public notaries, since they were not cases which required necessarily to be dealt with by the courts. Another possible measure would be to lift the Supreme Court from certain procedures, which could be dealt with by inferior courts. He was confident that, in the space of some years, the Croatian judicial system would be in line with that of other European Union Member States. The public administration of Croatia was in a similar situation, and the first measures had been to reduce the number of Ministries and Members of Government (from 24 to 15), while the next steps would concern the improvement of the quality of the experts working in public administration. Generally speaking, although the Croatian administration certainly needed to be further improved, if one compared it with that of other transition countries in the middle of the Nineties when they were starting their preparation for EU accession, then one could see that the situation of Croatia was relatively satisfactory.

**Mr. MAYER** recalled that the European Union was a rule of law community, where the legal constitution was the basis, not politics and not diplomacy. It was important to distinguish, in Croatia, the real problems of functioning of the justice and the trivial problems. Among the first, there was the availability of qualified personnel, which was also needed in the public administration, the principle of the natural judge established by law, the division of the country in various judicial circumscriptions, etc. Justice and public administration were services for the citizens, not the contrary!

**Mrs. PACK** regretted to say that she often received complaints from Croatian citizens, claiming that they could not get fair judicial decisions and that the judiciary was politicised. She mentioned in that respect an article published in the newspaper "Feral Tribune" of the week 5-11 December 2003 on the Constitutional Court of Croatia, describing it as an institution with no credibility, where many members had no serious expertise. Then, talking about administrative decentralisation, she was worried that it was proceeding too slowly.

**Mr. MIMICA** was grateful for the good advice received in the interparliamentary exchange, for example for Mr. Mayer's suggestion to introduce a better system of case distribution among judges, but he considered that the main problem of the judiciary in the country was their qualification, not their politicisation: in fact, at the beginning of the Nineties, when Croatia had become an independent State, it had no judges in a position to professionally fulfil their duties.

**Mr. LISI** was astonished to hear that political influence on the judiciary was not considered a problem in Croatia, and invited his colleagues to consider that Italy's example had showed clearly that it was a real problem !

**Mr. MIMICA** answered that there was a misunderstanding, and that what he wanted to stress was the problem of the excessive workload on the judges.

**Mr. MAYER** was convinced that the Croatian judiciary had a problem of organisation: for example, judges should be allowed enough time to deliver their decisions, and not be burdened with so many administrative tasks.

**Mr. MIMICA** completely agreed and said that this was another reason why a reform of justice was needed in Croatia.

**Mrs. OBRADOVIC**, Assistant Minister at the Ministry for European Integration, illustrated some of the proposals for amending the Croatian legislation on the judiciary, which also included reforming the system of case distribution, improving the competencies of judicial advisors, introducing a new system for the evaluation of judges' performance and upgrading the Training Centre for Judges at the level of an Academy, which would be able to provide training on European law, human rights and other subjects.

#### **4. Implementation of the constitutional law on minorities and the return of refugees**

**Mr. PUPOVAC** recalled that the constitutional law on minorities had been adopted more than one year before and he resumed its main contents. Minorities representation and participation in the political life had been improved by an increase of five to eight parliamentary seats allocated to minorities, some of which were not represented at all before. What was left to be done was implementation of the provisions on minority representation in local government (municipalities, counties, towns), in the judiciary and in the police. He underlined that the Prime Minister had made a commitment to follow the process personally, and not to allow it to remain an unfulfilled promise. Talking about the recent by-elections for minority representatives in the local government bodies, he admitted that the turn-out had been very low, partly because people were not well informed and partly because the Government and the local authorities had not done enough to obtain a better turn-out. The National Council on Minorities, which had been instituted with the constitutional law, was supposed to advise the Government on programmes, financial assistance and to take into consideration the activities of minorities in the local councils. Unfortunately, the minority representatives elected at the local level in May 2003, had been left without financial resources in their towns. The recent agreement concluded between the Prime Minister and the Serb and other minority representatives had the aim therefore to accelerate implementation of the constitutional law.

Coming to refugee return, he said that progress was being made, and it was more or less evident depending on the periods. There were, though, some unresolved problems: the law on amnesty was not applied, there were arbitrary arrests, in particular of young returnees, and the property re-possession process needed to be accelerated by the Government in office.

With regard to reconstruction, the Government had shown good will and a significant budget allocation, so that by the end of the year every pending request should have been dealt with.

Generally though, what was required for a sustainable return policy, was economic development.

He concluded that the recent agreement concluded between the Prime Minister and the Serb and other minorities had the essential scope for reconciliation and, at the same time, had been written in a very concrete and pragmatic way.

**Mr. SWOBODA** shared the view that minority integration in the country was very important. The low turn-out in the elections for minority representation in the local government bodies could be interpreted in various manners (perhaps the time available was too short, perhaps people at the local level did not appreciate the importance of voting), but most important was the implementation of the laws and providing adequate support to minorities. In the field of refugee return, the deadlines fixed in the various relevant texts were very short, which should stimulate rapid action. As far as repossession of properties was concerned, he said that it was extremely important to draft a development plan for the regions concerned, because part of the local resistance to return is linked to dire economic conditions in the regions concerned. The Government could encourage investments in these regions, and alleviate the general situation of employment. He mentioned a document issued by the Ministry of Family, according to which 12.949 refugees continued to live in Serbia and Montenegro, although they were willing to return to Croatia. Talking about refugees overall in the former Yugoslavia, he mentioned two different figures: one source talked about 190.000 and another one about 230.000. The European Parliament was decidedly convinced that return was a fundamental right, and in that respect it welcomed the new attitude of the Croatian authorities. Nevertheless, it was important for everybody to dispose of reliable statistics: he asked how many returns were the authorities waiting for, in order to correctly prepare an active policy for their re-integration and the necessary economic development. Even in the case that not all of them would wish to settle back in Croatia, it was important to know how many of them would have required full repossession of their properties.

**Mrs. PACK** agreed that it was necessary to be able to find the relevant information among the many figures available, which did not always show the really important data, and that it was essential to know how many people wanted really to return to Croatia. Talking about the deadlines set in the most recent Government's acts, she considered that short deadlines were in any case better than no deadlines.

In concluding, she asked what initiatives had been taken on return at the local level, and in particular in Zadar, Knin and other towns, and she said she would appreciate an answer from a representative of the HDZ Party.

**Mr. LISI** said that the recent agreements concluded by the Prime Minister with representatives of the minorities had been very much appreciated and were certainly important for Croatia itself and for the international observers. In particular with regard to the Italian minority, he considered, though, that the Government had to honour not only its duties in the field of refugee return, but also, for example, in the field of compensation for the properties of the "esuli". Coming back to the elections for minority representation in the municipalities, he said that, in certain cases, there had been not only a high rate of abstention, but a true boycott of the elections !

**Mr. PUPOVAC** regretted to say that reliable figures on the possible returns were not available, and, most of all, it would prove impossible to get figures on which both Zagreb and Belgrade would agree. Therefore, it was advisable to concentrate on the question of what the returnees could count on. He considered that the Government in office had a very ambitious programme, and this was not a bad element in itself, it would be a test for the Government, when thinking of the serious problems still to be resolved in Croatia, such as the rule of law or the property restitution. At the same time, the Government sometimes had the tendency of wanting to govern directly in every corner of the country.

Addressing Mr. Lisi's questions, he was pleased to say that the Italian minority had taken part in the elections of 15 February last, which had not been the case on the occasion of the elections of May 2003.

**Mrs. PACK** said that, having just returned from Bosnia and Herzegovina, she had heard many people enquiring how the return of the Croats to the Republika Srpska was actually proceeding. In this respect, she encouraged the new Croatian Government to initiate an agreement with Bosnia and Herzegovina, in order to provoke a constructive "musical chairs" game.

## **5. Economic situation in Croatia**

**Mr. JURCIC** read various statistics and was pleased to underline that Croatia had an increasing GDP growth in the last four years (from 0 % in 1999 to more than 4 % at present) and one of the lowest inflation rates in Europe (around 2 %). This proved that the Croatian economy was decidedly recovering after the worst transition periods. The Croatian economy, which was one of a small country, was mostly directed towards services and was an open economy and a member of the WTO and of CEFTA. However, the dissolution of Yugoslavia could still be felt, for example, Croatia now had to buy its supplies from abroad, which often resulted in large and expensive imports (more than 30 Billion \$ in 2003). On the other hand, Croatia did not export much, less than 6 Billion \$, which provoked a huge deficit in the trade balance. On the other hand, there was a good surplus in tourism and transport. Another important indicator was unemployment, which currently stood at 19 %, although, according to some other parameters of the International Labour Organisation, it was only 15 %. On foreign debt, it seemed that the figures were not particularly worrying for a country still in transition. Croatia had also created foreign currency reserves of about 8 Billion \$. Coming to the restructuring of the economy, he said that the country was reaching the end of the restructuring of the energy sector (privatisation of the national petrol company INA, separation into three categories of the Croatian Electricity Board), and mentioned some of the most important privatisation operations in progress (for example, in the metallurgic sector, the SISAK company, the modernisation of the aluminium factory of Sibenik, the restructuring of the company Djuro Djakovic). The most important problems lay with the agricultural sector (Belje Company, the IPK Osijek and others) which needed to be divided in several parts and privatised.

Coming to the ship industry, it was necessary to restructure some of the concerns, but they first needed to become more economically efficient. On tourism, Croatia still had to reach the maximum of its potential, because the privatisation of the sector had not been completed yet. That was a strategic sector for Croatia, which would allow many people to live a better life.

On banking, reforms in progress still required a lot of work, as well as the reform of the pension funding.

He concluded that refugee return was, of course, very much related to the evolution of economic development in the country. Croatia still needed to restructure its economic policy and to transform its regional economy into a national one within the EU. But there were good expectations for the future on growth and reduction of unemployment.

**Mr. MASTORAKIS** regretted to mention some worrying figures on unemployment and the poor conditions of the refugees. He also underlined that most of the banks were the property of foreigners, which could present a problem. Reduction in public expenses, as for example in the army, had been recommended by the IMF. Coming to investment, he was worried that there was not enough of it in Croatia, like for example in the agricultural sector, in the greenfields. Bureaucracy and cumbersome public administration also represented an obstacle to economic development. Legal certainty, property rights and privatisation were other sectors requiring

further action. Foreign investment was still modest in Croatia. Even when considering all this, Croatia was certainly the leading economy of the Western Balkans in any case. The Thessaloniki Summit had sent clear encouragement to Croatia and the Greek Presidency had welcomed the Croatian application for EU membership.

There were really good opportunities for economic progress in the region, and, ideally, a continuous territory of economic development could be established stretching from Croatia to Greece. There were still, though, some "black holes" such as Montenegro and Albania. The trans-European corridors covering that region would be extremely important for economic development.

**Mrs. PACK** considered that it was not fair to accuse the new Government of being responsible for problematic aspects which existed well before it came to power. She invited her fellow Croatian parliamentarians to provide information on the privatisation process, which was most important in her view, on the situation of incomes in the country, especially in relation to the high prices, which did not match with current salaries, and on the air connections, which were not ideal.

**Mr. JURCIC**, answering to Mr. Mastorakis, said that Croatia did not have greenfields because they were too expensive. The average salary in the country was between 400 and 700 Euro per month. He did not consider it problematic that so many banks in Croatia were foreign property. Most of the problems had come with incorrect privatisations which had taken place in the Nineties, but what Croatia really lacked, was location benefits and advantages to attract foreign investments. He wanted to stress also that some positive measures had been taken. He agreed that the prices for tourist accommodation were rather high, but the demand, so far, had been very limited! Croatian citizens, certainly, could not afford to pay such prices. In concluding, he agreed with Mrs. Pack that the timetables of the airplanes in the country were not always convenient, because of organisational problems.

**Mrs. PACK** insisted that the plane connections in Croatia, not only in the tourist season, were absolutely insufficient and urged the authorities of the country to do something.

**Mr. MIMICA** recalled that the Croatian airline only had ten planes, therefore it could not fly more than that and only in 2006 would Croatia be able to buy new planes. He also mentioned the "Open Skies" agreement, in relation with air transport in Croatia, which would allow, once Croatia would be a member of the EU, to take advantage of other European carriers. He invited his colleagues to consider that, when talking about economy in Croatia, one had to bear in mind the EU markets pressure as well. Croatian legislation was more and more close to EU law, and the Croatian market economy was functioning better and better. The reason why privatisation had not been completed yet was that the country had still to overcome some negative post-war legacies. But the most important was that the Croatian economy's competitiveness was improving, and this was extremely positive in the light of the Copenhagen criteria. Referring to Mr. Mastorakis' image of the pan-European stretch of economic development, he confirmed that, of course, Croatia would like to be part of that and be a completely open economy with the EU, but the country needed raw materials to be imported from abroad, also from non EU countries. He recalled that in the past there had been some problems with the implementation of the interim Stabilisation and Association Agreement, for example when Croatia had been accused of violating the agreement in 2001 for importation of sugar, because of the need to trace the real origin of products.

Another problematic aspect was that Croatia was not yet in a position to reach its maximum export potential. The country was now standing at only 40 % of its potential.



**Mrs. PACK** asked why Croatia had to import raw materials from non EU countries, and from which countries they came.

**Mr. MIMICA** answered that the reason was linked to the customs duties. According to the rules of the Stabilisation and Association Agreement, each product had to be produced with raw materials coming either from Croatia or from the EU. To a certain extent, the raw materials could also come from other European States which did not belong yet to the EU, but did belong to the WTO. If Croatia would import all its raw materials from countries like China, India or Pakistan, then it would not be able to benefit from exemption of custom duties when exporting its products in the EU.

**Mrs. PACK** insisted in asking why Croatia bought its raw materials from such countries.

**Mr. JURCIC** confirmed that there was a problem of "accumulation" of European countries of origin, such as Hungary, Poland, etc...it was called a "pan-european system": if Croatia would buy raw materials or unfinished products from EU countries and then would export the products into the EU, it could not take advantage of the exemption from custom duties, because it did not belong, yet, to that "pan-european system". As for raw and basic materials, Croatia, as a small country, often had found it less expensive to buy them from countries further away.

**Mr. JANDROKOVIC** said that the Government wanted to encourage the small and medium size enterprises but first of all, a new business climate needed to be created, for example by allowing special loans to those who would like to create a new business, and then by eliminating the administrative barriers and rendering the judiciary more efficient.

**Mr. ZUBOVIC**, talking about transport, invited his EP colleagues to take into consideration the important investments already made for road construction; for example, the highway to Split was going to be opened soon.

**Mr. LISI** encouraged his Croatian colleagues to deal with the transport policy from a regional point of view, not only a national one. The "Adriatic lake" should be managed as a single transport network. Talking about foreign investment, he said that one of the most important problems was the un-reliability of the property recording system ("cadastre") and the legal uncertainty in the country.

## **6. Regional co-operation and open issues with neighbouring countries**

**Mr. JANDROKOVIC** introduced the item by underlining that the Government of Croatia wished to establish good relationships with all the countries of the region, and on this there was a political consensus, in respect of every State's sovereignty and international law and agreements. He then described the situation with regard to each neighbouring country. In relations with Slovenia, there were some open issues, mainly inherited from the former Yugoslavia, but both countries were looking for solutions. Recently, a meeting of the two Ministers of Foreign Affairs had been organised, during which a certain "good atmosphere" could be observed. Italy was an important partner of Croatia in various fields. Recently, a structured dialogue between Prime Ministers Berlusconi and Sanader had been established, which would continue at the level of high officials, in particular for possible agreements on fishing and environment protection. Relations with Bosnia and Herzegovina had been a matter of consensus among the different Croatian political parties, and they needed to be developed

more in depth, fully respecting Bosnia and Herzegovina's sovereignty. Concerning Serbia and Montenegro, Croatia hoped that it would honour all its commitments on human rights and the rule of law, and, as a sign of good will, both States had decided to prorogate between themselves the no-visa regime. Nevertheless, Croatia had some preoccupations in relation with trafficking in human beings, which was a problem which needed to be tackled more resolutely. With Macedonia, there was no problem in the relationship.

**Mr. LISI** admitted that considerable steps forward had been taken in the last five years in the relations with Serbia and Montenegro, and, to some extent, also with Bosnia and Herzegovina. Unfortunately, that positive picture had been somehow damaged by the Croatian unilateral decision to proclaim a zone of exclusive sovereignty on the Adriatic Sea, and he wondered why Croatia had put itself such an obstacle on its way towards European integration. He recognised that that decision had not violated any international provision, but that, in fact, made things even more difficult, because Croatia had, intentionally, provoked a juridical "wound" in the Copenhagen political criteria! It was difficult for an external observer to understand Croatia's attitude. The whole EU system was founded on multi-lateralism, and this decision did not represent a nice "visit card" in that respect! He underlined that he was now expressing an European Parliament's view, not just his personal one! Nevertheless, the EP was pleased that talks had been initiated with neighbouring countries and hoped that a positive solution to the issue could be found. Even though the unilateral decision had been taken by the previous Government and Parliament, he strongly encouraged his Croatian colleagues to accelerate the procedure and to find a solution before the 1st of May 2004.

Coming to relations with Italy, he recalled that, recently, a protocol of understanding had been signed in Istria.

**Mrs. PACK** said that the EP did not want to threaten Croatia, and recalled that some issues had been open with the neighbouring countries for many years, for example with Slovenia the border issue and the question of the Ljublianska Banka. It was also necessary to understand the Croatian position on those issues. On the Piran Bay, it now seemed that an international arbitration would be called. Regarding fishing in the Adriatic Sea, she mentioned that, according to some sources, the Italian fishermen were exploiting it too much, and it would be urgent to find a solution among the three concerned countries. She recalled that the EP had already sent Croatia a political message through its resolution of November 2003, and maybe a renewed one would be included in the final statement of the present interparliamentary meeting.

**Mr. LISI** clarified that he did not intend to threaten anybody, but just to give Croatia a friendly political suggestion.

**Mr. DORIC** recalled that the local government bodies also had their role to play in these issues. Many problems which were under discussion in the present interparliamentary meeting had been already resolved at the local level. Therefore, it was advisable to resolutely continue the decentralisation process in Croatia, as well as to exploit the possibilities of trans-border co-operation, for example through the establishment of the Euro-regions.

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The meeting was suspended at 18h30 and resumed the day after, 18 February 2004, at 9.15.

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## **7. The co-operation of Croatia with the ICTY (International Criminal Tribunal for the former Yugoslavia)**

**Mr. JURICA** wanted to stress that Croatia was fully committed to co-operation with the ICTY and would continue to have a dialogue with the Tribunal, in the framework of the constitutional law on co-operation with the Tribunal. This was a legal issue, and any politicisation needed to be eliminated. The Government had already taken some important steps in this respect, and it was known that two new indictments would be issued soon. The reforms introduced had already permitted the transfer of some trials to the Croatian courts. He mentioned a recent call by the Deputy Prime Minister to General Gotovina to surrender to the Prosecutor of the ICTY and present himself in The Hague to respond to the accusations directed against him. The Prime Minister had also recently declared that the Chief Prosecutor had said, in an interview to the Croatian Television, that the objective was to reach fair co-operation.

**Mrs. PACK** asked how the Council for Co-operation with the ICTY was composed, and in particular she wanted to know whether its members were independent.

**Mr. JURICA** answered that the Council was chaired by the Minister of Justice, and composed of the Minister of Foreign Affairs, the Minister of Interior, the Minister of Defence, a professor at the Law Faculty in the University of Zagreb, an assistant Minister and a lawyer.

**Mrs. PACK** enquired how the Croatian opinion had reacted at the time of the sentence delivered by the Tribunal of Rijeka on the tragic events which occurred in Gospić in 1991, which had condemned the accused people to relatively long imprisonments. On the other hand, she said that apparently, very few cases concerned Croatia among the trials pending in The Hague. There were two main cases and she asked more information on them.

**Mr. JURICA** said that he did not know much, and that the Chief Prosecutor had announced that two new indictments would be issued very soon, but he personally did not know the names or further details.

**Mrs. PACK** asked what the feeling of the Croatian Parliament was, when considering that The Netherlands and the United Kingdom were refusing to ratify the EU-Croatia Stabilisation and Association Agreement, because of the Croatian failure to arrest General Gotovina and deliver him to The Hague. She mentioned an article published in "Le Monde" on 4 February 2004 according to which General Gotovina might be protected by French circles, in his quality as a former member of the Foreign Legion, and provided with a French passport, as well as an interview given by General Gotovina's lawyer to the newspaper "Slobodna Dalmacija", in which he had said that General Gotovina would not surrender to the ICTY as a defendant, but he would first like to give his testimony in Zagreb with the status of a suspect. She recalled that, in the course of the 11th interparliamentary meeting held in Zagreb in 2003, a lengthy discussion on Croatia's co-operation with the ICTY had taken place and Mr. Tomac had provided the participants with detailed explanations on the Croatian stance in this respect.

**Mr. JURICA** said that, unfortunately, no precise data were available yet on the domestic trials organised in Croatia in relation to the war crimes committed at the time of the dissolution of Yugoslavia.

**Mrs. PACK** underlined that the European Parliament was very much looking forward to full co-operation of Croatia with the ICTY, and recalled the assurances given in that respect by the

Minister of Foreign Affairs Zuzul, who had recently spoken before the EP committee on foreign affairs.

## **8. Implementation of the SAA and future perspectives for accession of Croatia to the European Union**

**Mr. MIMICA** recalled that 2004 was the third year of implementation of the interim Stabilisation and Association Agreement. Six years were supposed to be needed before reaching the "cruise speed", but Croatia had already succeeded after the first two years to adopt 80 % of the necessary measures, and, up until 2003, 97 %. Reforms were carried out in Croatia not only in view of implementing the SAA or in view of Croatia's membership of the EU, but also for allowing the country's citizens to "live better in a better Croatia". The reforms were mainly economic. He mentioned that three EU Member States had not ratified the Stabilisation and Association Agreement yet: The Netherlands, the United Kingdom and Italy, and he said that, should this fact slow down the accession process to the EU, Croatia would certainly suffer from negative consequences, political and economic recession. He wanted to ensure that the Croatian Government had fully understood its role and responsibilities in the EU accession process, as well as the importance of the Croatian example for the whole region. The Government wanted to prove its clear European vocation and to act according to the European criteria and standards. The European integration is the top priority and the SAP is an important part of it. In this respect, he was pleased that the new Croatian Government had not repeated the mistakes of Hayder or of Mecjar in Austria and Slovakia: the clear European vocation of the new Government had been largely discussed and proved in Parliament, during in depth discussions with the Foreign Affairs and the European integration committees. For 2004, there was a precise European integration plan drafted by the Government and more than 50 laws to be adopted: Croatia had decided, for 2004, to go even further with the contractual obligations envisaged by the SAA with the EU, and to start harmonisation in all 30 chapters of the *acquis*. Moreover, Croatia would revise, in June 2004, its plan in the light of the European Partnership which was awaited from the Commission as a kind of "compulsory guide" for Croatia. He did not see any major problem in harmonising the Croatian legal system nor the economic one with the EU criteria: Croatia, for its political criteria, had to concentrate on co-operation with the ICTY. Generally speaking, Croatia had much to do with implementation, by-laws, etc., and needed a lot of help in pre-accession financial assistance from the EU. He very much hoped that Croatia would become a candidate by the middle of 2004 and be able to open negotiations by the end of the year, in order to become a member in 2007.

**Mr. BALTAS** was pleased that the present interparliamentary meeting would allow everybody to understand the situation in Croatia and the implications of the EU-Croatia relations better. Thanks to the interim Stabilisation and Association Agreement, Croatia had already taken important steps which would also then be valuable after the entry into force of the main agreement, and the Commission had already recognised that. At the moment, the European Parliament was unusually making a report on Croatia before the publication of the Commission's opinion, and that move was intended to confirm the Institution's interest towards the country. He forewarned that the EP would be very severe in its report. It was evident that Croatia had made good progress, but it was still necessary to go ahead resolutely to reach the established targets as soon as possible. The EP was looking forward to also achieving good results in the dialogue between Croatia and Italy and Slovenia. He hoped to be able to have other meetings with Croatian parliamentarians as often as possible and each time, to be able to note that some of the pending questions was close to a solution.

**Mrs. PACK** shared Mr. Mimica's views on the good results achieved by Croatia in the implementation of the interim Stabilisation and Association Agreement and recalled how important it was to find commonly agreed solutions to the outstanding regional issues. She alerted her Croatian colleagues that the climate in the EU would become more and more "cold" towards new applications for membership. Many people saw only difficulties in the new applications. Therefore, it was extremely important that the efforts of Croatia to resolve and clear all the outstanding issues would bear fruition.

She recalled that, at the recent Budapest Conference of the President of the European Parliament with the Presidents of the Parliaments participating in the enlargement process, enlarged to the Presidents of the Parliaments of the Western Balkans, it had been underlined that the treatment of Croatia's application for EU membership would be a fundamental test for the other countries of the region.

She was convinced that a certain link existed between the ratification process of the SAA and the Commission's opinion, and she advised her fellow parliamentarians to put pressure on those Parliaments and Governments who had not completed the procedure yet.

**Baroness LUDFORD** apologised for arriving late and, after having asked the permission to go back briefly to point 7 of the agenda, said that, although she was not supposed to speak for the British Government, she did not believe the United Kingdom would change their attitude soon in relation to the ratification of the SAA, because there was no convincing proof yet, that Croatia was really co-operating with the ICTY.

**Mr. MIMICA** considered that, if he had understood correctly some declarations made by Commissioner Patten, there was no link, in legal terms, between the ratification of the SAA and the EU decision to grant to Croatia the status of a candidate country. But it was important to convince the countries who had not ratified yet to withdraw their reservations.

**Baroness LUDFORD** stressed that co-operation with the ICTY was a legal issue, not a political one. For EU enlargement, it was important to ensure that every would-be candidate country reach the standards and achieve the crucial progress set for starting negotiations. All the EU Member States should agree on this and act consistently.

**Mr. MIMICA** admitted that co-operation with the ICTY was a legal issue.

**Mr. DORIC** said that it had been good to transfer the "Gospic" trial to a domestic court, in Rijeka, because, should it have taken place in The Hague, the people would have supported unconditionally the inditees, in particular General Norac.

**Mr. PUPOVAC** was convinced that Croatia's co-operation with the ICTY should improve, but wondered how. Unfortunately, the momentum had been partly lost at the beginning of the mandate of the Racan Government, and now there was again the risk to lose it. Co-operation with the ICTY was not only a matter of General Gotovina, it was also important to verify whether the Croatian domestic courts would be able to manage the trials related to war crimes. The national courts needed to be strengthened.

Coming back to the item 8 of the agenda, he said that, unfortunately, the enthusiasm for future enlargements was cooling off, not only among the present Member States, but also among the new accession countries.

**Mr. SWOBODA** asked to bear in mind that the EU accession criteria were clearly set and they would not be re-defined on a case by case approach, for Croatia for example. In this respect, he

invited his Croatian colleagues to look at the accession process of Romania and Bulgaria, where nothing could be taken for granted and at present very severe amendments on Romania's readiness were being examined in the European Parliament. Of course, the EU attitude towards Croatia would very much depend on how the EU would "digest" the accession of the ten new Members and the difficult issue of the separation of the island of Cyprus. There were positive feelings towards Croatia, but these were not enough, and many would judge the country very severely on concrete actions, maybe more severely than other countries had been judged. This could not be forgotten.

**Mr. PUPOVAC** said that the Croatian parliamentarians were not attending the meeting in order to avoid some of the possible criticism or to avoid some of the necessary fulfilments, but they were there to see how to co-operate best with the EP to find the necessary solutions to the ongoing problems.

**Mrs. PACK** wanted to encourage her Croatian colleagues to be proud about the huge progress achieved in the harmonisation with the *acquis communautaire*, and to confirm that what the EP wanted was Croatia to proceed on that path.

On the co-operation with the ICTY, she considered that, if General Gotovina wanted to prove himself a good citizen, then he should surrender to the Tribunal. His case was rendering things slower and difficult in many other fields, and putting progress on hold. Therefore, she encouraged her fellow Croatian parliamentarians to do their utmost in that respect. On the other hand, it had to be recognised that, in other cases, Croatia had shown a good level of co-operation with the ICTY.

\* \* \*

The Chairpersons of the two delegations adopted a Joint Statement, after an exchange of views on it with the participation of Baroness Ludford, Mr. Swoboda, Mr. Mimica and Mrs. Pampaloni, representative of the Directorate General Relex of the European Commission.

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## **9. Any other business.**

None.

## **10. Date and place of the next meeting**

**Mrs. PACK** announced that, after the EP elections of June 2004, all EP delegations would be re-composed and, more than likely, a special delegation for relations with Croatia would be created, possibly in the form of a delegation to the EU-Croatia Joint Parliamentary Committee. The first meeting then could take place in Zagreb at a date to be confirmed.

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The chairpersons of the two delegations thanked all the participants to the 12th IPM, in particular Mr. Mimica was pleased that the meeting had been very interesting for the newly elected Croatian parliamentarians and expressed the hope to continue a constructive partnership with the European Parliament. They thanked as well as the secretariat and the interpreters and said goodbye until the next meeting.

\* \* \*

The meeting closed at 10h55.

**DELTAGERLISTE/ANWESENHEITSLISTE/ΚΑΤΑΣΤΑΣΗ ΠΑΡΟΝΤΩΝ/RECORD  
OF ATTENDANCE/LISTA DE ASISTENCIA/LISTE DE PRESENCE/ELENCO DEI  
PRESENTI/PRESENTIELIJST/LISTA DE PRESENÇAS/LÄSNÄOLOLISTA/DELTAGARLISTA**

Til stede	Formandskabet/Vorstand/Προεδρείο/Bureau/Ufficio di Presidenza/Mesa/Puhemiehistö/J.L. Presidium: (*) PACK (1,2), SWOBODA (1), LUDFORD (2)
Anwesend	Medlemmer/Mitglieder/Μέλη/Members/Diputados/Députés/Deputati/Leden/Deputados/jäsenet/ Ledamöter: LISI(1), MASTORAKIS (1), MAYER (1)
Παρόντες	Stedfortrædere/Stellvertreter/Αναπληρωτές/Substitutes/Suplentes/Suppléants/ Membri supplenti/Plaatsvervangers/Membros suplentes/Varajäsenet/Suppleanter:
Present	
Presentes	
Présents	
Presenti	
Aanwezig	
Läsnä	
Närvarande	
Art. 153,2	BALTAS(1,2)
Art. 166,3	
Art. 162.6 Endv. deltog/Weitere Teiln./ Συμμετείχαν επίσης/Also present Participaron igualmente/ Participaient également/ Hanno partecipato altresì/ Andere deelnemers/ Outros participantes/ Muut osallistujat/ Dessutom deltog	
(Dagsorden/Tagesordnung Pkt/Ημερήσια Διάταξη Σημεί/Point OJ/Punto OG/Agenda Punt/Ordem do dia- punto/punto orden del dia/ Esityslista Kohta/Föredragningslista punkt):	

\* (P) =Formand/Vorsitzender/Πρόεδρος/Chairman/Président/Presidente/Voorzitter/Presidente/Puhemies/Ordförande  
(VP) =Næstform./Stellv. Vorsitz./Αντιπρόεδρος/Vice-Chairman/Vice-Président/Vicepresidente/Varapuhemies  
Ondervoorz./Vice-Pres./Vicepres/Vice ordförande.

Til stede den/Anwesend am/Παρών στις/Present on/Présent le/Presente il/Aanwezig op/Presente em/Presente el/Läsnä/Närvarande den.



<p>Efter indbydelse fra formanden/Auf Einladung d. Vorsitzenden/Με πρόσκληση του Προέδρου/At the invitation of the Chairman/Por invitación del presidente/Sur l'invitation du président/Su invito del presidente/Op uitnodiging van de voorzitter/A convite do presidente/Puhemiehen kutsusta/  På ordförandens inbjudan: PLENKOVIC (Minister Counsellor, on behalf of the Government of Croatia)</p> <p>Radet/Rat/Συμβούλιο/Council/Consejo/Conseil/Consiglio/Raad/Conselho/Neuvosto/Rådet: GAFFEY (Irish Department of Foreign Affairs, on behalf of the Presidency in Office)</p> <p>Kommissionen/Kommission/Επιτροπή/Commission/Comisión/Commissione/Commissie/Comissão/Komissio/  Kommissionen: LEIGH, PAMPALONI, HAGLEITNER</p> <p>Cour des comptes:</p> <p>ECOSOC :</p> <p>C.E.S.:</p>		
<p>Andre deltagere/Andere Teilnehmer  Επίσης Παρόντες/Also present  Otros participantes/Autres participants/Altri partecipanti  Andere aanwezigen/Outros participantes  Muut osallistujat/Övriga deltagare</p>		
<p>Gruppernes sekretariat  Sekretariat der Fraktionen  Γραμματεία των Πολ. Ομάδων  Secretariat political groups  Secr. de los grupos politicos  Secr. Groupes politiques  Segr. dei gruppi politici  Secr. van de fracties  Secr. dos grupos politicos  Puolueyhmién sihteeristö  Gruppernas sekretariat</p>	<p>PPE-DE  PSE  ELDR  Verts/ALE  GUE/NGL  UEN  EDD  NI</p>	<p>MAZZA, WORUM  MACHMER  CORLETT, MURPHY</p>
<p>Cab. du Président</p>		
<p>Cab. du Secrétaire Général</p>		
<p>Generaldirektorat  Generaldirektion  Γενική Διεύθυνση  Directorate-General  Dirección general  Direction générale  Direzione generale  Directoraat-generaal  Direcção general  Contrôle financier  Service juridique  Pääosasto  Generaldirektorat</p>	<p>I  II  III  IV  V  VI  VII  VIII</p>	<p>JARECKA GOMEZ  KAUFFELD</p>
<p>Udvalgssekretariatet  Ausschußsekretariat  Γραμματεία επιτροπής  Committee secretariat  Secretaria de la comisión  Secrétariat de la commission  Segretariato della commissione  Commissiesecretariaat  Secretaria de comissão  Valiokunnan sihteeristö  Utskottssekretariatet</p>		<p>MAZZI ZISSIS, HARRIS</p>
<p>Assist./Βοηθός</p>		<p>WHITTALL, ESCOFET</p>

\* (P) =Formand/Pres./Πρόεδρος/Chairman/Président/Voorzitter/Puhemies/Ordförande  
(VP) =Næstform./Vize-Pres./Αντιπρόεδρος/Vice-Chairman/Vice-Président/Ondervoorz./Vice-pres/Varapuhemies/Vice ordförande.  
(M) =Medlem./Mitglied/Μέλος/Member/Miembro/Membre/Membro/Lid/Membro/Jäsen/Ledamot  
(F) =Tjenestemand/Beamter/Υπάλληλος/Official/Funcionario/Fonctionnaire/Funzionario/Ambtenaar/ Functionário/Virkamies/Tjänsteman

**DELEGATION OF THE CROATIAN PARLIAMENT  
FOR THE 12th MEETING WITH  
THE DELEGATION FOR RELATIONS WITH THE COUNTRIES OF SOUTH-EAST  
EUROPE OF THE EUROPEAN PARLIAMENT**

**Brussels, 17 – 18 February 2004**

**Members:**

Mr Neven Mimica	independent	Chairman of the Delegation President of the European Integration Committee
Mr Neven Jurica	HDZ	President of the Foreign Affairs Committee
Mr Milorad Pupovac	Serbian minority	President of the Committee for Interparliamentary Cooperation
Mr Gordan Jandroković	HDZ	President of the Economy, Development and Reconstruction Committee
Mr Mario Zubović	HDZ	Member of Parliament
Mr Miljenko Dorić	HNS	Member of Parliament
Mr Ljubo Jurčić	independent	Member of Parliament
Ms Danira Bilic	HDZ	Member of Parliament

**Croatian Government**

Ms Tamara Obradovic    Assistant Minister, Ministry for European Integration

**Secretariat**

Ms Tatjana Briski Secretary of the Committee of European Integration  
and the sub-committee for Relations with the European Parliament

**Abbreviations:**

HDZ - Croatian Democratic Union  
HNS - Croatian People's Party

11.02.04