

Croatia in the European Union



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Program



I. Croatia – a few facts

II. EU Enlargement Policy Overview

III. Croatia in the EU – Pros & Cons

IV. Further EU Enlargement - Discussion

Croatia – a few facts



Political system:

Parliamentary Republic

Capital city: Zagreb

Total area: 56,594 km²

Population: 4,489,409

Currency: Kuna



EU Accession Procedure for Croatia



- EU Accession Application - 21 February 2003
- EU Commission's positive opinion - April 2004
- Official Candidate Status granted by the European Council – June 17/18, 2004
- Croatia – EU Council accession negotiations opened – October 3, 2005
- Revised Accession Partnership adopted by the Council – February 12, 2008
- EU – Croatia 7th Stabilisation and Association Council – April 19, 2011, Brussels (GOAL: revision of the accession process)
- European Council meeting about Croatia's accession – June 23/24, 2011
- Negotiations closed – 30 June 2011 (Accession Conference at Ministerial level)
- Commission's positive opinion for Croatia's accession – October 12, 2011
- European Parliament's consent – December 1, 2011
- Council's decision on the admission of Croatia to the EU – December 5, 2011
- Croatia's Accession Treaty signed – December 9, 2011, Brussels
- NOW: national ratifications of the Treaty by the EU Member States; Croatia an active observer in the European Council, the Council and its preparatory bodies
- Croatia expected to join the EU on 1 July 2013

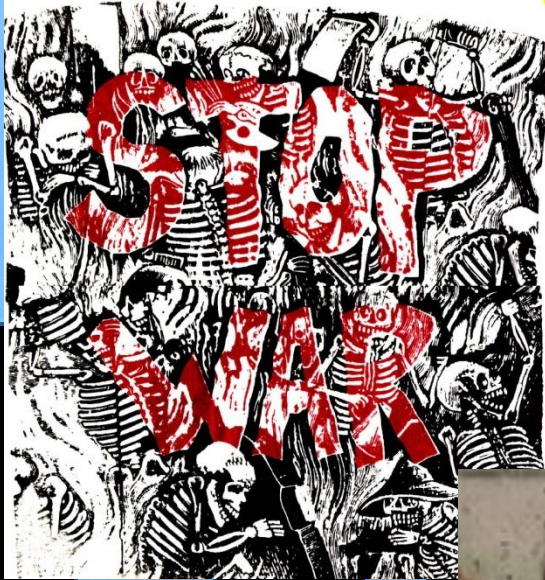
EU Enlargement Policy Overview



The more we are... (1:26)

[http://www.youtube.com/watch?v=YkLkSHISv
TA](http://www.youtube.com/watch?v=YkLkSHISvTA)

Enlargement Goals



Croatia in the EU

XI Visegrad Summer School

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Stages of Regional Integration



	Free trade between members	Common external tariffs	Free movement of production factors	Harmonization of economic policies	Centralized economic & monetary policy
FTA	YES	NO	NO	NO	NO
CU	YES	YES	NO	NO	NO
CM	YES	YES	YES	YES	NO
MU	YES	YES	YES	YES	YES

Stages of Regional Integration 1



1. Free Trade Area – abolition of tariffs

- **FTA risk** - a country with lower external tariff level imports more goods and then sells them to other countries inside the FTA
- **Solution** - rules of origin (the good should be produced in an FTA country)
- **Problem** – need for a very complex system: control of amount, verification of origin, etc. → Administrative & technical measures are more complicated



Stages of Regional Integration 2

2. Customs Union

- **CU Result** - Common Trade Policy
- more and more linkage between countries
- **complexity is growing** → creates demand for more complex institutions
- **Problem** – bureaucracy
- **Example** - European Community at the beginning

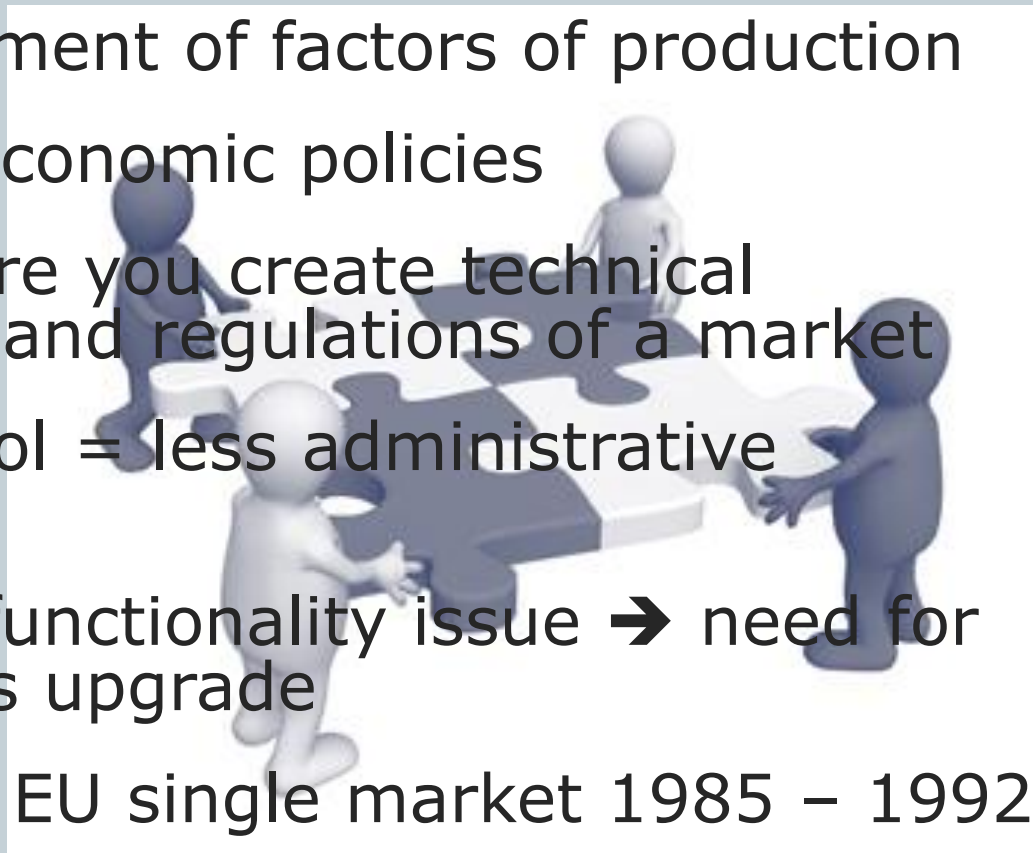


Stages of Regional Integration 3



3. Single Market

- free movement of factors of production
- common economic policies
- stage where you create technical standards and regulations of a market
- Less control = less administrative problems
- **Problem**: functionality issue → need for institutions upgrade
- **Example** - EU single market 1985 – 1992



Stages of Regional Integration 4

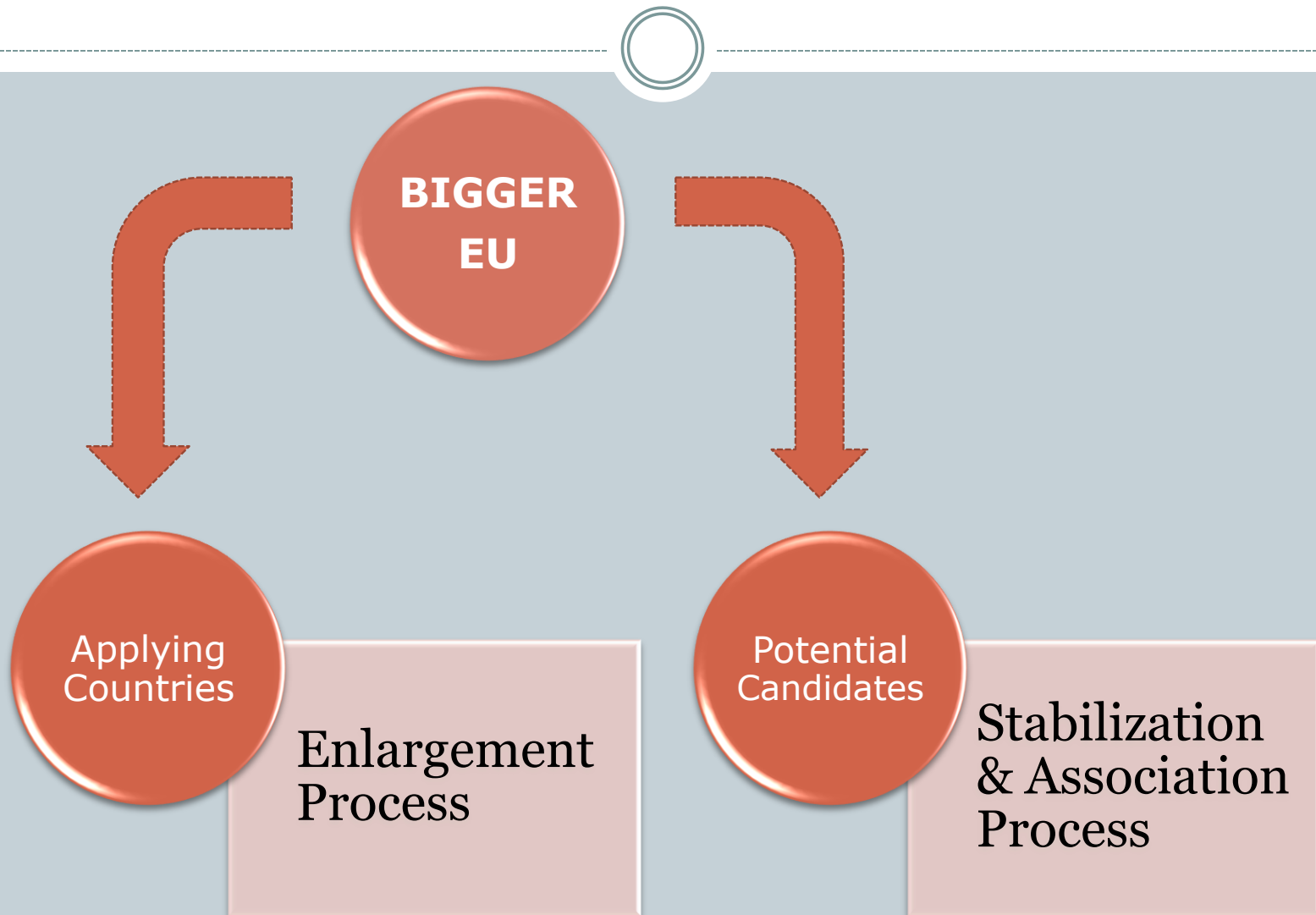


4. Monetary Union

- Common currency = €
- European Central Bank
- **Problems** – Double Speed Europe, neglecting convergence criteria, creative accounting, financial disease – spreading, etc.) – anything else?
- **Under actual observation**



Legal Framework



Legal Framework 1



- 1. Treaty on European Union – Article 49**
- 2. Treaty on the Functioning of the European Union - Article 212**
3. Individual EU enlargement laws
4. Recent European Court of Justice rulings
5. Draft legislation

Legal Framework 2



6. Copenhagen Criteria

- Candidate State has institutions to preserve democratic governance and human rights
- has a functioning market economy
- accepts the obligations and intent of the EU

7. Convergence Criteria

- **Inflation rates:** Max. 1.5 p.p. > than the av. of 3 best MS
- **Gov't deficit/GDP** < 3% at the end of the preceding fiscal year
- **Gov't debt /GDP** < 60% at the end of the preceding fiscal year
- **Exchange rate:** 2-year members of ERM II of the EMS
- **Long-term interest rates:** Max. 2 p.p. > than the av. in 3 lowest inflation MS

EU Enlargements



The Economist - Short History of European Enlargement (3:45)

<http://www.youtube.com/watch?v=0sez84Br7FA&feature=related>

Most popular arguments pro & against by D. Maverick (1:36)

<http://www.youtube.com/watch?v=zzZhBC1Zaq0&feature=related>

EU Enlargements

- 1951 - EU Founding Members: Belgium, Italy France, Netherlands, Luxemburg, Germany
- 1973 - 1st Enl. - Denmark, Ireland, UK. Norway says NO
- 1981 - 2nd Enl. - Greece
- 1986 - 3rd Enl. - Spain and Portugal
- 1995 - 4th Enl. - Austria, Finland, Sweden
- 2004 - 5th Enl. - Cyprus, Czech Republic, Estonia, Lithuania, Latvia, Malta, Poland, Slovakia, Slovenia, Hungary
- 2007 - 6th Enl. - Romania, Bulgaria
- 2013 - 7th Enl. - Croatia

EUROPE

EUROPEAN UNION

- EU Member States
- EU New Members 2004
- EU New Members 2007
- EU Candidates
- EFTA Member States

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Who might join next?



In search of the next Croatia: (1:07)

<http://www.youtube.com/watch?v=sHfpPFldvIE>

Prospect of EU membership:

Official Candidate, Potential Candidate, Aspiring Country:

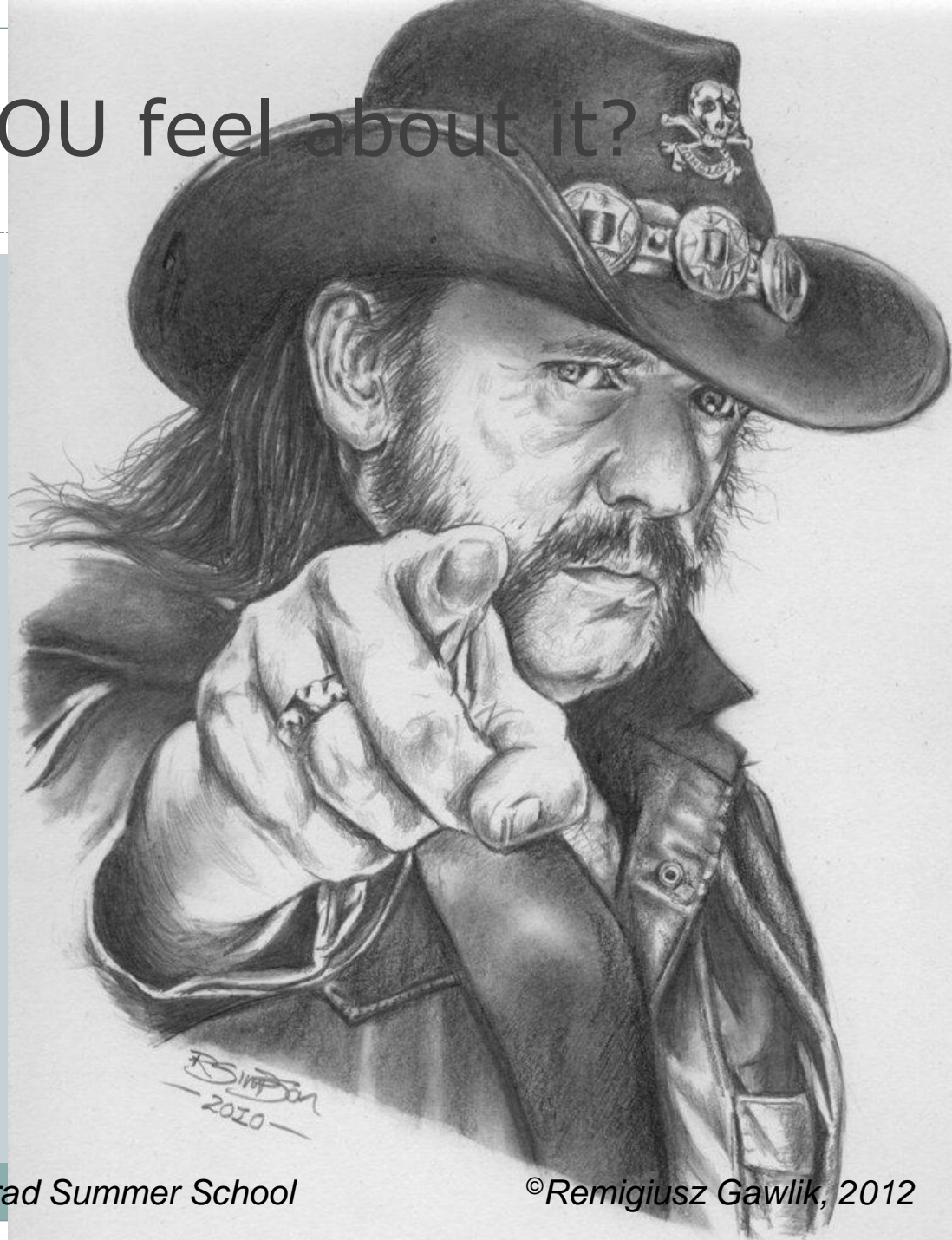
- Albania
- Bosnia & Herzegovina
- Former Yugoslavian Republic of Macedonia
- Iceland
- Kosovo
- Montenegro
- Serbia
- Turkey
- Ukraine

How do YOU feel about it?

WHO
would you
welcome ?

WHY ?

WHY NOT
the others ?



We ain't much different



We ain't much different (1:05)

http://www.youtube.com/watch?v=U7849a_G7MQ

http://www.youtube.com/watch?v=RVN_iuVcIJE



Thank You for Your Attention



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