



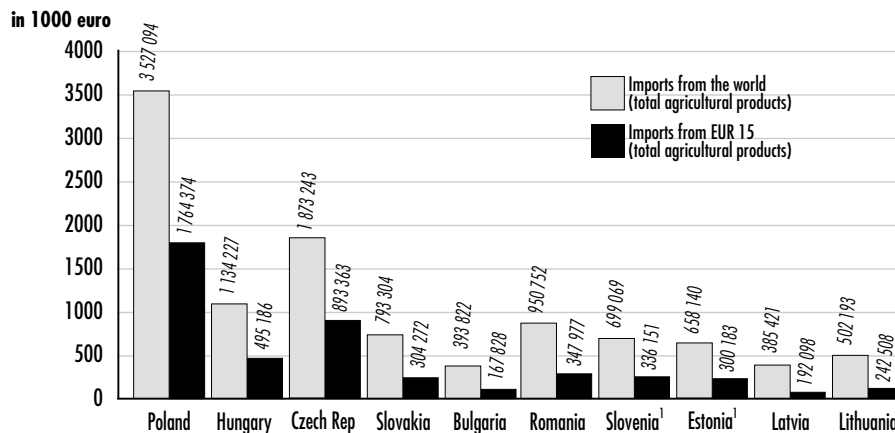
Context

Enlargement will bring with it substantial benefits to the existing members in economic, political and security terms. The expansion of the internal market to include 100 million consumers in rapidly growing markets will increase trade and provide substantial new output and employment opportunities for European firms. Enlargement is expected to bring major benefits in terms of peace and security in Europe by providing stability and prosperity in the region on our doorstep. It will help to embed the principles of democracy and the market economy in countries which have emerged from communist rule over the last decade. Enlargement offers considerable opportunities to the applicant countries in helping them to

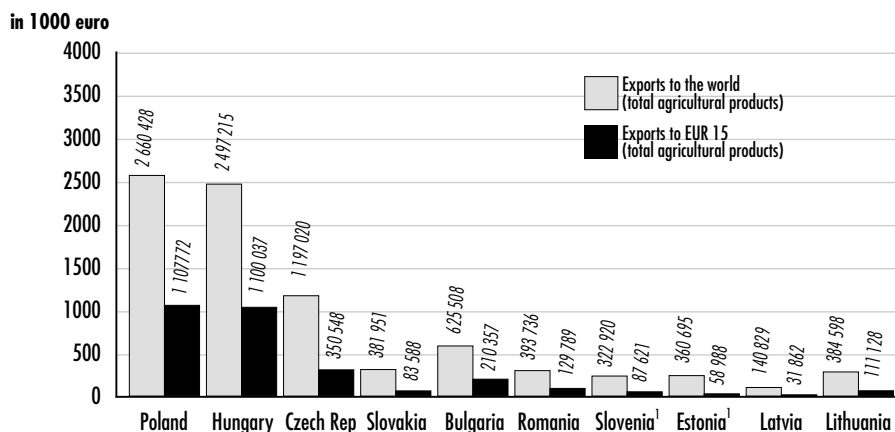
make efficient use of their agricultural production potential. Taking into account the many structural handicaps most Central and Eastern European countries still have to overcome, this potential will not immediately be used to the full. But intensive technical and financial assistance provided to the applicant countries will help consolidate economic reform and strengthen business. The process of EU enlargement is fully compatible with the objectives of the new WTO Round. It acts as a force for opening markets and ensuring non-discriminatory rules for trade and investment and reinforces the efforts undertaken within the WTO to further liberalise trade in goods and services.

Trade flows: all applicant countries (1998)

Imports



Exports



Source: COMTRADE for Estonia, Slovakia, Slovenia, Czech Republic; EUROSTAT for Lithuania, Latvia, Bulgaria, Hungary, Poland, Romania.

(1) 1997

Preparing for accession: major instruments

It should be noted that for the first time pre-accession measures have been integrated into the financial perspectives of the EU budget. Moreover, the Single Market exists, which was not the case for most previous enlargements.

The total amount of Community pre-accession aid foreseen is EUR 21.8 bn (1999 prices) for the period 2000 - 2006. It will be available for all the applicant countries in Central and Eastern Europe until they join the EU. There will be three main pre-Accession instruments:

PHARE is currently the main channel for the European Union's financial and technical co-operation with the countries of central and eastern Europe (CEECs). In Agenda 2000, the European Commission proposed to focus the Phare Programme on preparing the applicant countries for EU membership by concentrating its support on two crucial priorities in the adoption of the *acquis communautaire*: Institution Building and investment support. Institution Building means adapting and strengthening democratic institutions, public administration and organisations that have a responsibility in implementing and enforcing Community

legislation. It means training and equipping a wide range of civil servants, public officials, professionals and relevant private sector actors: from judges and financial controllers to environmental inspectors and statisticians, to name but a few. Approximately 30 per cent of Phare funds will be used to meet these Institution Building needs, in accordance with the conclusions of the Luxembourg European Council, in particular through the Twinning mechanism.

SAPARD, pre-Accession aid for agriculture (EUR 520 mio a year) is intended to contribute to the implementation of the *acquis communautaire* in agriculture and to encourage sustainable adaptation of the rural areas. It will, in particular, help the modernisation of the agriculture and food industries by offering assistance for processing, marketing and quality control of food products. It should also support rural development projects.

ISPA (Instrument for Structural Policies for Pre-Accession) finances major environmental and transport infrastructure, has an annual budget of EUR 1.040 million comes under the responsibility of former DG XVI, now DG Regional Policy.

The indicative annual allocations for Phare, Ispa and Sapard from 2000 (in million Euro)

	PHARE	SAPARD	ISPA		Total	
	Indicative annual allocation ¹	Indicative annual allocation	Indicative annual allocation	Indicative annual allocation	Indicative annual allocation	Indicative annual allocation
			minimum	maximum	minimum	maximum
Bulgaria	100	52.1	83.2	124.8	235.3	276.9
Czech Republic	79	22.1	57.2	83.2	158.3	184.3
Estonia	24	12.1	20.8	36.4	56.9	72.5
Hungary	96	38.1	72.8	104.0	206.9	238.1
Latvia	30	21.8	36.4	57.2	88.2	109.0
Lithuania	42	29.8	41.6	62.4	113.4	134.2
Poland	398	168.7	312.0	384.8	878.7	951.5
Romania	242	150.6	208.0	270.4	600.6	663.0
Slovakia	49	18.3	36.4	57.2	103.7	124.5
Slovenia	25	6.3	10.4	20.8	41.7	52.1
Total	1085	520	1040			

(1) Only national programmes (crossborder and horizontal programmes not included)

Source DG Enlargement

Calendar of the process:

- 1993 The Copenhagen European Council agrees on the political and economic criteria for membership of the EU.
- 1997 The Luxembourg European Council agrees to open negotiations with five of the CEECs and Cyprus: (Hungary, Poland, Czech Republic, Slovenia and Estonia). The Council also agrees to conclude Accession Partnerships with each of the applicant countries.
- 1998 The London Conference officially launches the negotiating process with the Czech Republic, Hungary, Poland, Slovenia and Estonia. Screening of agricultural legislation starts with the Czech Republic, Hungary, Poland, Slovenia, Estonia and Cyprus. The Commission adopts its first report on progress made towards accession.
- 1999 The Berlin European Council agrees on the financial perspectives for the 2000-2006 period. 3.12 billion euro per year is set aside for pre-accession aid. Screening of agricultural ends with the Czech Republic, Hungary, Poland, Slovenia, Estonia and Cyprus and starts with Bulgaria, Romania, Latvia, Lithuania, and the Slovak Republic. The Commission adopts its second report on progress made towards accession.
- The Helsinki European Council decides to open negotiations with other CEECs (Bulgaria, Latvia, Lithuania, Romania, and the Slovak Republic) and Malta and recognises Turkey as a candidate for membership.
- 2000 The Portuguese presidency of the Council considers as priority:
- to reform the institutional system of the EU to prepare it for the forthcoming enlargement,
 - to decide if the charter of fundamental rights for the European Union could be incorporated into the Treaties,
 - to decide whether or not amendments on European policy on security and defence are needed to the Treaties.

Dates of application for EU Membership:

Cyprus:	03.07.1990
Malta:	16.07.1990
Hungary:	31.03.1994
Poland:	05.04.1994
Romania:	22.06.1995
Estonia:	24.11.1995
Lithuania:	08.12.1995
Bulgaria:	14.12.1995
Czech Republic:	17.01.1996
Slovakia:	27.06.1995
Latvia:	13.10.1995
Slovenia:	10.06.1996

Screening

Screening of agriculture legislation up to end March 1998 (plus Agenda 2000 legislation) was completed with the twelve applicant countries early this year, and the update (data to end 1999) will begin in the second half of 2000 (no decision has as yet been taken on the procedure to be followed with Turkey).

Negotiations

Concerning negotiations, these have been opened with the “Luxembourg Group” of countries (former ‘first-wave’ - Cyprus, Czech Republic, Estonia, Hungary, Poland, Slovenia) and their agriculture negotiating positions were submitted to the Commission in December 1999/January 2000. The Agriculture Draft Common Position prepared by the Commission is expected to be presented to the Council in April 2000 so that negotiations can start under the Portuguese Presidency.

Enlargement negotiations have been formally opened with the “Helsinki Group” of countries (former ‘second-wave’ - Bulgaria, Latvia, Lithuania, Malta, Romania, Slovak Republic); however, the Helsinki European Council adopted the principle of ‘differentiation’ whereby negotiating chapters will be opened at different times, depending on the state of preparedness of the applicant countries, and no dates have yet been proposed for the opening of agriculture negotiations with these countries.

applicant countries - General Data (1998)

	Area (1000 km ²)	Population Million inhabitants	Density Inha./km ²	GDP % change	Agriculture % gross added value	Agriculture % Employment
Bulgaria	111	8.3	75	3.4	21.1	25.7
Cyprus	9	0.7	78	5.0	4.6	9.6
Czech Rep.	79	10.3	130	-2.3	4.5	5.5
Estonia	45	1.4	32	4.0	6.2	9.4 ⁽¹⁾
Hungary	93	10.1	109	5.1	5.9 ⁽¹⁾	7.5
Latvia	65	2.4	37	3.6	4.7	18.8
Lithuania	65	3.7	57	5.1	10.1	21.0
Malta	0.3	0.4	1333	4.1	2.8	1.8
Poland	313	38.7	124	5.0	4.8	19.1
Romania	238	22.5	94	-7.3	17.6	40.0
Slovakia	49	5.4	110	4.4	4.6	8.2
Slovenia	20	2.0	100	3.9	3.9	11.5
Turkey	775	63.4	82	2.8	16.1	42.3

(1) 1997

Source: Eurostat

Available documentation on enlargement

General information

- Accession criteria, negotiations, pre-accession strategy...:
<http://europa.eu.int/comm/enlargement/index.htm>
- Accession Partnerships and National Programme for the Adoption of the Acquis (NPAA). Pre-accession assistance (Phare, ISPA...):
<http://europa.eu.int/comm/enlargement/index.htm>
- Regular Report from the Commission on Progress towards Accession by each of the applicant countries:
http://europa.eu.int/comm/enlargement/report_10_99/intro/index.htm

SAPARD

- Description:
<http://europa.eu.int/scadplus/leg/en/lvb/l60023.htm>
- Fact-Sheet:
http://europa.eu.int/comm/dg06/publi/fact/sapard/index_en.htm
- Newsletter: http://europa.eu.int/comm/dg06/publi/newsletter/14/14_en.htm
- Newsletter: http://europa.eu.int/comm/dg06/publi/newsletter/20/20_en.pdf
- CEEC Reports (agricultural situation and prospects in the Central and Eastern European Countries):
http://europa.eu.int/comm/dg06/publi/peco/index_en.htm

Legal texts

- Council Regulation (EC) No 1268/1999 of 21 June 1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period.
- Council Regulation (EC) No 1267/1999 of 21 June 1999 establishing an Instrument for Structural Policies for Pre-accession.
- Council Regulation (EC) No 1266/1999 of 21 June 1999 on co-ordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation (EEC) No 3906/89.
- 99/595/EC: Commission Decision of 20 July 1999 on the indicative allocation of the annual Community financial contribution to pre-accession measures for agriculture and rural development (notified under document number C(1999) 2431).
- Commission Regulation (EC) No 2759/1999 (OJ L331/23.12.99) laying down detailed rules for the application of Council Regulation (EC) N°1268/1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period.
- For further information:
http://europa.eu.int/eur-lex/en/search_lif_simple.html



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