

EUROPEAN AND EXTERNAL AFFAIRS COMMITTEE

Date	30 January 2003
Time	14.00
Venue	Committee Rooms 2 and 3

Title: The Copenhagen European Summit of December 2003

Summary

1. Copenhagen, December 2002 can be counted among those European Summits that genuinely deserve the label "historic". The decision to enlarge the Union from 15 to 25 Member States (with a population of some 450 million) is unprecedented in its scope, and raises fresh questions about the future shape and ambition of the Union.
2. Although the decision on enlargement had been widely predicted, it was a long way from being a simple formality serious financial issues had to be addressed. The **accession countries** – as we should now call them, rather than "applicant" countries – are not particularly happy with the financial deal on offer.
3. We already knew that Rumania and Bulgaria were on course to join in 2007. The Copenhagen Council fixed a target date at the end of 2004 to launch accession negotiations with Turkey, providing it can successfully manage its transition to European standards of democracy, law, governance and respect for human rights. The Summit also hinted at the possibility of further expansion of the vision in the Balkans; we can expect Croatia and other Balkan states to apply for membership in due course.
4. The boundaries of the EU will now stretch from Dingle Peninsula to Vilnius and from Lapland to Southern Cyprus. This enlargement round has stimulated fresh discussion about the EU's strategic future and its relationships with its new neighbours to the east and south.

Detail on Enlargement

5. There was last minute debate on enlargement details, notably with Poland. The final package of measures, including agricultural payments and structural aid, was fixed at a total of 40.8 billion euro. This is less than the accession countries wanted. Poland, in particular, expressed serious concerns about cash flow matters during its early years of membership. The concern related to the time lapse between Poland's obligation to pay into the EU budget and its longer term benefits from EU structural funds. The eventual solution was to allocate some extra support to Poland (108 million euro) and to allow some flexibility in how it spent in the short term. Another 300 million euro was distributed among the other nine accession countries.

6. The plan now is for the 25 to sign the Accession Treaties in Athens in April 2003 leading to formal accession in May 2004, just ahead of the next European Parliament elections. There will have to be a ratification process in all 25 countries. In many of the accession states this will mean a referendum and also in some of the EU 15 (Ireland, for example). In the UK, ratification will be dealt with by parliamentary procedure. In terms of public opinion Malta is the most equivocal applicant, but there are indications that agricultural and right populist parties in Estonia and Poland may mount strong campaigns to reject EU membership.

Turkey and Beyond

7. It was agreed that a decision should be made to open accession talks with Turkey in December 2004, subject to a satisfactory report on their progress against the Copenhagen criteria (these relate to an earlier 1990's Copenhagen conference setting out minimum standards for EU membership).

8. Turkey is lobbying hard (with support from USA). They have been attempting to join the EU for 40 years. Disappointment about what some in the Turkish government, including the new PM, Abdullah Gul, see as further delay will be offset by increases in pre-accession aid. In return, Turkey signalled its agreement that talks between the EU and NATO could proceed on the future use by the EU of NATO military assets (Turkey could have blocked this as a member of NATO).

9. Turkey's role on a final agreement on the divided Cyprus problem is also significant. UN negotiations have failed to produce a settlement and so the Republic of Cyprus (ie the South) alone will join the EU until the matter is resolved. The Turkish Republic of Northern Cyprus is not recognised other than by Turkey.

10. Turkey would be the first predominately Muslim Member State. Other smaller ones could follow – Kosovo, Bosnia and Albania. Beyond Turkey, the question provoked by the Copenhagen Summit is, what should be the limits of EU enlargement? The next applications up will be Bulgaria and Rumania in 2007, perhaps followed by the Balkans, headed by Croatia. Others may follow. There is no half-way house between being a member of the EU and being outside. The Council requested the Commission and Javier Solana to bring forward proposals to strengthen relations with Russia and, in due course, Ukraine, Moldova, Belarus and the southern Mediterranean.

11. There are several different possible options on a future EU. One might be a continually expanding EU going way beyond Europe's traditional borders. Another model might emerge where the EU forms a series of relationships (bi-laterally or through a wider forum) with its neighbours to co-operate on areas of mutual interest like trade, defence, internal security and the fight against crime.

Conclusion

12. Enlargement is a good opportunity for Europe. It will create the biggest single market in the world with an estimated 500 million consumers. It will promote jobs, wealth and enhance security in both new and existing Member States. The enlargement agenda will not stop at Copenhagen but continue to be driven forward with the preparation of "Road Maps" for Bulgaria and Romania for the period up to accession and the strengthening of the pre-accession strategy for Turkey.

13. We have a positive approach to enlargement reflected in the work undertaken by the Enlargement Working Group that acts in an advisory role to this Committee. We have seen a range of relationships develop including the signing of the Memorandum of Understanding with Silesia, that provides Wales with an opportunity to assist an accession country in a concrete and beneficial manner and the agreement between Wales Trade International and Czech Trade.

14. We must not be complacent and I have invited the members of the Group to revisit the terms of reference and membership and asked officials to update the Action Plan to ensure that we are continuing to focus our energies in the most appropriate way.

Michael German
Deputy First Minister
Minister for Rural Development and Wales Abroad