



Fifth Report
from the
Foreign Affairs Committee

Session 2000–2001

European Union Enlargement and Nice Follow-up

Response of the Secretary of State for
Foreign and Commonwealth Affairs

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
July 2001*

Introduction

The Government welcomes the Foreign Affairs Committee's Report and its interest in enlargement. We look forward to continuing to work closely with the committee on this subject. We are among the strongest supporters of enlargement in the EU. We believe it will underpin stability, security and prosperity in the candidate countries, and thus benefit all the existing member states.

The Gothenburg European Council took an important step forward in turning the reunification of Europe into reality. It affirmed that the enlargement process is irreversible. It confirmed the importance of respecting the ambitious but realistic timetable for the negotiations in the next year. And it decided that this timetable should make it possible to complete negotiations by the end of 2002 with those candidate countries that are ready; with the objective of their participating as member states in the 2004 European Parliament elections. This echoes the Prime Minister's call last Autumn in Warsaw for the first wave of acceding countries to join the EU before the 2004 European Parliament elections. We welcome these conclusions, and played an important role in helping the Swedish Presidency secure them.

Taking in turn each of the FAC Report's recommendations:

- a) We recommend that the Foreign and Commonwealth Office urgently examines whether the Government is committing sufficient resources to the region and states its conclusions and future plans in its response to this report (paragraph 14).

The FCO has just completed, as part of its annual Resource Allocation Round, a review of the resources it is committing to this region. We are increasing these resources in the areas set out below – in the Action Plans, in the twinning programmes, and in diplomatic representation.

Action Plans

The Committee noted that the UK had developed comprehensive Action Plans with the candidate countries. We are the only Member State to have done this. These instruments offer the candidates practical help with their preparations for EU accession and are the main framework for our direct assistance. They pull together contributions from across Whitehall. Areas covered include agriculture, environment, local government, human rights and justice and home affairs.

Action plans have been launched with the Czech Republic, Estonia, Hungary, Malta, Poland, Slovakia and Slovenia. In the financial year 2000/2001, £550,000 of FCO funds were spent on individual projects. We intend to increase this spending to £1.25 million in financial year 2001/2002. There will be increased activity under existing Plans, and new Action Plans with those candidates who do not yet have them.

Other Bilateral Assistance

Since 1989, the Department for International Development (DFID) has provided £350 million of bilateral assistance to countries in Central and South East Europe. For the financial years 2001/02 – 2003/04 DFID plans to provide £40.2 million of bilateral assistance to the region.

The EU has committed 3 billion euros per annum to the region in pre-accession assistance under the PHARE, ISPA and SAPARD programmes. The UK's contribution to this is £360 million per annum. PHARE provides assistance for institution building (through twinning – see below) and investment to help countries meet the requirements of accession; ISPA provides funding for environment and transport infrastructure; and SAPARD provides funding for agricultural modernisation and rural development.

Twinning Programmes

In addition to the Action Plans, the UK is a leading player in the European Commission's "twinning" programme, under which British civil servants are seconded to their counterpart Ministries in candidate countries. The UK is involved in over seventy twinning projects, in all ten Central European candidates, the third highest number of projects of any Member State. We have more projects in the Czech Republic than any other Member State.

This is a significant commitment of resources. Over twenty British Government Departments and agencies are involved, as well as representatives from the devolved administrations. There are over thirty British civil servants working in counterpart Ministries. By the end of this year, there will be nearly fifty.

Ministerial Visits

The number of ministerial contacts has almost doubled: there were 64 in the second half of 2000, compared to 33 in the same period in 1999.

Diplomatic Representation

In the last four years, there has been net increase of 15 posts in the British Embassies in the candidate countries.

Representation in post tells only part of the story. In the Czech Republic, for example, as well as the twenty UK based and twenty three Locally Engaged staff, there are nine British officials on twinning projects (rising to twelve by the end of 2001); four British Council staff plus a substantial Locally Engaged contingent; a brigadier on secondment to the Czech MOD; and thirty British officers and senior NGOs at the UK Training Centre in Vyskov, which has region-wide responsibilities. In other countries there are similar forms of involvement; for example a Foreign Office official is currently on loan to the Romanian Foreign Ministry.

- b) We recommend that the Foreign and Commonwealth Office takes the earliest possible steps to open discussions within the EU on how in practical terms the far from hypothetical problem of the accession of Cyprus while it is still politically divided should be overcome (paragraph 16).

We believe that the objective must be to reach a Cyprus settlement before enlargement. So we strongly support the international settlement process under UN auspices. But, as the Helsinki European Council agreed, a settlement is not a precondition for accession. It may, at some stage, be necessary to discuss within the EU the practical implications of accession if no settlement has been reached. But to start doing so now would risk undermining the credibility of the UN efforts to reach a settlement, by suggesting that the EU expected them to fail.

- c) We continue to conclude that Turkey should not have a veto over the accession of Cyprus, and recommend that the Foreign and Commonwealth Office intensifies its efforts to secure EU-wide agreement to this position (paragraph 18).

The Helsinki European Council conclusions made clear that a settlement is not a precondition; thus no third party would be allowed to have a veto over the accession of Cyprus. The Government continues to stand by these conclusions.

- d) We recommend that the Government clarifies whether it considers the number of Council votes and European Parliament seats for the applicant countries to have been settled finally or not (paragraph 22).

The number of votes in the Council and seats in the European Parliament for candidate countries will not be finally settled until the Accession Treaties are signed. The Declaration to the Treaty of Nice represents a political agreement on the negotiating position to be adopted by the existing Member States at the accession conferences. As for the allocation of Council votes and of European Parliament seats, the Government does not support making the weighting of votes in the Council or

the number of seats in the European Parliament dependant on the length of time a member state has been in the European Union. When this proposal was suggested at the Intergovernmental Conference at Nice it was rejected by the UK and other Member States.

- e) We recommend that the Department in its Response to this Report clarifies whether it considers that any single NATO member will have a veto over the provision of NATO assets and capabilities for an EU-led military operation (paragraph 26).

NATO agreed in principle at the Washington Summit in April 1999 to define and adopt arrangements for EU access to the collective assets and capabilities of the Alliance. At the meeting of NATO Foreign Ministers in Florence in May 2000, NATO Allies confirmed that this would be done on a case-by-case basis and by consensus. This means that any Ally can block a decision to provide the EU with NATO assets or capabilities.

Agreeing the permanent arrangements for EU access to NATO's assets and capabilities remains a priority. NATO Foreign Ministers, meeting in Budapest on 29-30 May 2001, concluded that the prospects for progress in this area had improved. All our Allies and Partners are committed to pursuing this goal, which will ensure that the European Security and Defence Policy develops in a way which will strengthen NATO.

- f) The Treaty of Nice has proved to be much more substantial than the United Kingdom Government and others initially envisaged. The 2004 IGC looks certain to be very much more substantial still, going to the very heart of the balance between the EU's governmental and parliamentary institutions and those of the member states. We conclude it is of the utmost importance that the Foreign and Commonwealth Office, and the Government, keep this Committee, its successor Committee, and the House as a whole closely informed about all aspects of its policy towards the next IGC so that there can be greater understanding of the implications of the next IGC than there has been of some of those in the past (paragraph 34).

We agree that the 2004 IGC will address some fundamental questions about what the European Union should be doing, and how it can be made more relevant and accessible to the citizens of the member states. We accept that the government should ensure that the House as a whole, and the Foreign Affairs Committee in particular, are fully informed about all the aspects of policy towards this IGC. The Prime Minister's speech in Warsaw in October 2000 represented the first statement of the Government's approach to these issues. The task now is to follow up the call in the Nice Declaration for a debate on the Future of Europe with "all those reflecting public opinion". The Government hopes that this debate will engage the citizens of all Member States and candidate countries and bring out their ideas about the EU's future role and priorities. The Member states have not, however, yet decided how to pull together the results of these national debates, or take forward preparations for the IGC. The European Council at Laeken in December 2001 will look at these issues.

Conclusion

Enlargement remains a high priority for this government and for the European Union. The Government welcomes the increased momentum in negotiations achieved under the Swedish Presidency. This must be matched by continued progress in the candidate countries. In line with the Gothenburg Conclusions, the Government looks forward to the European Union pursuing the negotiations with undiminished vigour during the Belgian and Spanish Presidencies. Gothenburg has shown the commitment of the EU, as well as this Government, to the prize of a reunited Europe.