NOW THE CZECHS START NEGOTIATING COHESION FUNDING

Following in the wake of Poland (see previous issue of ENLARGEMENT WEEKLY), the Czech Republic started last week to negotiate the details of its EU financial support for regional development for 2004-2006. The European Council in Copenhagen last December committed around €2.6 billion to the Czech Republic for the period 2004-2006: almost €1.7 billion under the EU Structural Funds, and some €0.9 billion under the Cohesion Fund. This makes the Czech Republic the third largest recipient of Structural and Cohesion Funds among the new member states (following Poland and Hungary).

The talks are focused on the documentation and plans that the Czech authorities have proposed. These include a Community Support Framework - which describes the socio-economic context, and presents development priorities and systems of financial management - and related Operational Programmes detailing the various priorities of the CSF. At beginning of March 2003, the Czech Republic handed over to the Commission its National Development Plan 2000-2006 and a first group of Operational Programmes, along with two Single Programming Documents for Prague. A second group of Operational Programmes was submitted in April.

Before the talks started last week, European Regional Affairs Commissioner Michel Barnier told Pavel Nemec, Czech minister for regional development, the Commission's position on how Structural Funds and the Cohesion Fund should be used in the Czech Republic. "The Plan represents a good basis for the negotiations that lie ahead", he wrote. "It is very important that the European programmes in the Czech Republic are a success. It therefore is all the more important that we reach an early agreement so that implementation on the ground can begin as soon as possible taking into account that eligibility of expenditure under these programmes starts on 1 January 2004".

The funding is aimed at helping sustainable development based on competitiveness. Through the Operational Programmes, the Structural Funds will concentrate on business infrastructure and business development, transport and environment infrastructure, multifunctional agriculture and rural development, and education, training and active labour market policies. The Single Programming Documents for Prague will focus on urban regeneration,
local and economic development and training measures. The Cohesion Fund will concentrate on transport infrastructures and environment.

The Czech Republic has eight regions, and seven of them are considered as lagging behind, and are consequently eligible for the EU's principal funding vehicle, known as Objective 1 assistance. Prague, which is more prosperous, is eligible for funding under secondary programmes known as Objective 2 (aimed at "regions with structural problems whose socio-economic conversion is to be supported") and Objective 3 (for "modernising systems of training and promoting employment").

For background on regional development policy, see http://europa.eu.int/comm/regional_policy/intro/regions5_en.htm

APPLICATIONS POUR IN FROM ACCEDING STATES FOR EU JOBS

More than 37,000 applications have been received for the first round of recruitment of permanent EU officials from the ten future member states. The job opportunities were published in May, and by the closing date of June 24 the number of applications reached 37,908.

For the positions as assistant administrators, most applications came from Poland - nearly 8,000, followed by Hungary (around 5,000), the Czech Republic and Slovakia (around 3,000). The majority opted for the competition for European public administration; economics was the second most popular choice, followed by law, and auditing.

More than 5,000 applied for posts as assistant translators, with the number of applications roughly proportional to the size of the populations. And more than 7,000 applied for positions as secretaries - with the national breakdown again roughly in line with population size.

The details of the number of applications are as follows:

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<td>Malta</td>
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<tr>
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<th>Assistant translators (LA8)</th>
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Enlargement:

Weekly Newsletter: 08 July 2003

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**Assistant administrators A8**

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<td><strong>7939</strong></td>
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Announcing the figures, the Commission attributed the "significant amount of interest on behalf of the accession countries' citizens" to "the successful political completion of the enlargement negotiations as well as the positive outcome of the different referenda in the accession countries".

These are all entry-level positions, requiring no previous work experience. Further competitions for more senior posts will be launched at a later date. And there are already some staff from the acceding states working in temporary auxiliary positions within the EU institutions under an earlier competition.

* See [http://europa.eu.int/epso](http://europa.eu.int/epso) for details of careers in the EU Institutions

**BETTER TRANSPORT LINKS URGED TO NEW MEMBER STATES**

A high-level group of experts proposed last week that priorities should be shifted in the trans-European transport network - and one of its key findings is that links to the future member states should receive more attention and more funding. "The economic catching-up of numerous regions, in particular in the future new Member States, will depend on good access to the major European axes, efficient interconnections, and in particular good cross-border connections", the report says.

The group, chaired by former European Transport Commissioner Karel Van Miert, was set up earlier this year to advise the European Commission on how to adjust its planning for transport networks. The conclusions, handed over to European Commission Vice-President Loyola de Palacio on June 30, urge that by 2010, work should start on the selected links to the new member states in central and eastern Europe and beyond, with a target completion date of 2020.
The list includes eliminating bottlenecks on the Rhine-Main-Danube (including the Vienna-Bratislava section, and bottlenecks in Bulgaria and Romania), creating "motorways of the sea" from the Baltic Sea to western Europe, and linking the western Mediterranean with Malta), rail links between Lyon-Trieste and Koper-Ljubljana-Budapest, from the Greek/Bulgarian border running through Sofia-Budapest-Vienna-Prague-Nürnberg, from Gdansk-Warsaw to Brno-Zilina, and from Paris-Strasbourg-Stuttgart to Vienna-Bratislava, and motorways from the Greek/Bulgarian border linking Sofia, Nadlac, Budapest and Constanta, and on the Gdansk-Katowice-Brno/Zilina route.

Further projects selected with a longer term time horizon include the Rail Baltica project to link Helsinki-Tallinn-Riga-Kaunas-Warsaw, a dedicated freight railway line Gdansk-Bydgoszcz-Katowice-Zwardon. Further down the list of priorities come multimodal logistic centres in Slawkow (Poland) with connections to the Russian gauge rail network, a Bari-Durres-Sofia-Varna/Bourgas rail link to the Black Sea, Improving port and road access at Limassol, Larnaka, Valletta and Marsaxlokk, a Dresden/Nürnberg-Prague-Linz motorway, a Prague/Linz rail link, a motorway linking Zilina-Bratislava-Vienna, a Maribor-Graz rail link, and a motorway linking Ljubljana-Maribor-Pince-Zamardi-Budapest.

The lists were compiled from some 100 projects submitted by member states and acceding countries. All selected projects are on a main trans-European axis of the enlarged Europe. And the group recommended that this initial identification should be completed by a more detailed analysis of traffic flows in a Union of 27 countries, so as to define and continuously refine a core network. The group also regretted what it called "serious under-investment and inadequate EU financial support" for transport networks so far.

Enlargement news in brief

Bulgaria closes another chapter

Bulgaria closed the environment chapter in its EU accession negotiations, right at the end of the Greek EU Presidency. At an extraordinary "deputy-level" session of the Accession Conference in the evening of June 30, Bulgaria negotiator Meglena Kuneva came to Brussels specially to meet the Presidency at permanent representative level. The outcome was a deal where the chapter is closed, and Bulgaria has been granted transitional periods for implementing some of the EU acquis even after accession. Altogether, eight transitional periods were granted by the EU, the longest being up until 2014 for full compliance with EU rules on urban waste water treatment, on landfilling of liquid waste for certain installations, and on the limitation of emissions of certain pollutants into air from large combustion plants. The transitional provisions Bulgaria has been granted are largely comparable to those granted to the ten acceding states in the negotiations they completed last year. This leaves Bulgaria with just five substantive chapters to close (in addition to the "catch-all" chapter of miscellaneous subjects). Three of the chapters have a significant money-related content - regional affairs (which includes arrangements for EU structural and cohesion funding), agriculture (which includes questions of quotas and direct payments to farmers), and financial and budgetary provisions (covering what Bulgaria will have to pay as a member state, and what it may receive from the EU). The two other chapters are justice and home affairs, and competition. Bulgaria is keen to complete all its negotiations during 2004 - which it sees as vital if it is to keep alive its hopes of joining the EU by its target date of 2007.

Polish agriculture and rural development reviewed by Committee of Regions

Rural development was the focus of discussions when the EU's Committee of
the Regions held a meeting of its joint co-operation committee with Poland in 
Cracow at the end of June. The JCC examined a report on the approach of 
Polish local and regional authorities to EU policy on agriculture and rural 
development. How to encourage rural development, and how to decide which 
areas merit investment, were two of the key points of discussion - with an 
emphasis on finding the right balance between urban and rural areas, so as 
to maintain rural activity and stave off exodus to the towns. The report warned 
that rural areas "are seriously threatened by the reorganisation of the 
agricultural sector", and urged that "rural development must be made an EU 
priority".

The growing role of the acceding states in the work of the Committee of the 
Regions, and of the EU in general, was much in evidence. "A lot has changed 
since the last CoR-Poland consultative committee meeting", said Marek 
Nawara of the Malpolska region council, and Polish co-chair of the JCC. "The 
administrative reforms carried through by Poland to increase the powers of 
the local and regional authorities are complete. And the Polish people have 
confirmed their desire to join the Union in the June referendum". The Polish 
representatives on the JCC, who are now observers within the Committee of 
the Regions, can also now look forward to being fully fledged members within 
less than a year, he pointed out. Roger Kaliff, chairman of Kalmar Council in 
Sweden, and the JCC co-chair from the EU side, said: "Poland, a rural 
country par excellence, will have a major role to play" in EU discussions on 
ariculture. And Jan Truszczynski, under-secretary of state in the Polish 
ministry of foreign affairs, urged the Polish regional and local authorities "to 
make their voices heard".

Slovenia claims it is well on the way to accession

Slovenia says it is in the final stage of the alignment with the acquis and 
fulfilling the commitments it has undertaken in its accession negotiations, 
according to the June 2003 report its government has compiled on its 
progress towards joining the European Union. "Slovenia has already 
successfully transposed several chapters of the acquis, it has the 
administrative capacity to implement it, and it meets the criteria for EU 
membership", says the June report it has just submitted to the European 
Commission, as its contribution to the final report on the acceding states that 
the European Commission is due to produce in November. But Slovenia 
acknowledges that "in the period until the actual accession to the EU there is 
still work to be done in those areas where, due to the complexity and scope of 
the acquis involved and its ongoing developing, the alignment process has 
not been finished yet." The report contains details of acceleration of the 
handling of court cases (the number of pending court cases of major 
importance "has followed a constant downward trend ever since 1998" and 
now shows a decrease of 30% since then), privatisation (the government 
adopted in January this year a new quarterly time-plan on completing the 
denationalisation process, which is running close to schedule, and should be 
completed in the second half of 2004), and legislative and institutional 
measures aimed at combating corruption, improving public administration, 
employment policy, social security reform, and ensuring adequate 
administrative capacity across the full range of the acquis. It also highlights 
the amendment in February this year to the Slovenian Constitution, which will 
allow Slovenia to accede to, and subsequently to act within, the EU. And it 
notes that while economic growth in Slovenia was only slightly higher in 2002 
than in 2001, "its structure changed considerably in favour of a higher 
 domestic demand, in particular because of renewed increase in investments, 
which were largely oriented towards highway construction". Real growth in 
exports was also high, and Slovenia maintained "a relative stability of its 
economy". A gradual acceleration of economic growth is expected in 2005-
2007 to reach 4.5% in 2007.

Putting the EU social model into effect in Latvia

Latvia's outstanding tasks in adopting the European model of economic and 
social progress were enumerated when the European Commission's Director-
General for Employment and Social Affairs, Odile Quintin, visited the country

http://europa.eu.int/comm/enlargement/docs/newsletter/latest_weekly.htm
last month. In talks in Riga with government officials, employer organisations and trade unions she examined job creation, quality of work and social cohesion. Particular attention was given to Latvia's preparations for participation in the European Social Fund, the EU's financial tool for job creation, restructuring, training and social inclusion - since allocations are being decided as part of the negotiations on EU structural funds that are just starting now with the new member states. If Latvia is to benefit fully, it needs to ensure co-operation among relevant ministries, and to put in place a clear strategy and sufficient administrative capacity to deal with a pipeline of projects ready to be implemented starting from next year, it was stressed. And while Latvia is making progress towards taking on the EU's social legislation and preparing for full participation in EU employment and social policies and processes, there are still challenges to be met - notably in enhancing employment, developing social inclusion, and intensifying the fight against discrimination. Further efforts in combating poverty were urged for those suffering long term unemployment (in particular among the young), disadvantaged regions and groups, older workers, and child poverty - children in large and single parent families are exposed to a higher risk, according to the Commission. On pensions, a better financial footing is needed for future pensions, more employment incentives are required for older workers and improved portability of pensions between jobs is required. And bipartite social dialogue needs to be strengthened in Latvia, as just 25% of employees are covered by a collective agreement, at either sectoral or enterprise level.

What will enlargement mean for defence industries?

The impact of security policy on industry and civil society in the enlarged European Union is under study in the newly-constituted industrial change commission of the European Economic and Social Committee. Part of the objective is to anticipate problems linked with rapid integration of the acceding states into common European security and defence policy structures - and particularly into the internal market of the military equipment industry and related research. The opinion will assess how enlargement can help - or hinder - the achievement of the recognised EU aim of strengthening its industrial potential in this sector. It will look at the transition economies' achievements under the 1990s Konver programme for industrial restructuring and conversion to civilian uses of military industries, and the implications of NATO's enlargement to the east - particularly the effect on the military apparatus and equipment of the new EU member states.

Enlargement Mini-Briefs

* Speaking in Paris on June 30, Javier Solana, EU High Representative for the Common Foreign and Security Policy, said enlargement is not only an objective to attain: it is also already an everyday reality. "Since April, we have in fact been working as 25. Even if the formal decisions continue to be taken by the 15, the representatives of the ten new member states participate fully in our debates. So we are conducting a live test of how well our working methods function, and how we can reach consensus". Noting the widespread support for enlargement in the acceding states that have already held referendums he went on: "For the EU's common foreign and security policy, this enlargement represents a significant boost in legitimacy and credibility. It gives us new responsibilities in the world".

* Barbara Richstein, minister for justice and European affairs of Brandenburg, urged intensified co-operation between Polish and EU regional and local authorities in her remarks to the EU Committee of the Regions recent joint co-operation committee with Poland in Cracow. Such links can help new member states adapt to the acquis, and can promote cross-border regions and gave them an identity, she said: "We must develop these exchanges, which could also involve co-operation in the area of justice or university education". But it would need EU financial support, she added.

* The big task facing the new Italian Presidency of the Council is to
complete the process of bringing ten new countries into the Union with the formal signing of the European Constitution. That in turn will advance both enlargement and deepening of the Union, according to EPP-ED Group chairman Hans-Gert Poettering, in the plenary debate in the European Parliament with the new President of the European Council, Silvio Berlusconi. Poettering promised that for its part, the EPP-ED Group would do all in its power to ensure this goal was reached.

Delegates of the 15 European Union member states and the ten acceding states - as well as representatives from the European Environment Agency and the Regional Environmental Centre for Central and Eastern Europe - are taking part in a high-level workshop on enlargement and environment in Trieste this week. They will be analysing the challenge of integrating environmental policies into national economies. Linking environmental issues with the Structural Funds will be one of the key elements in the discussions.

**Agenda**

See also the new "Enlargement events calendar" on the DG Enlargement web site at [http://europa.eu.int/comm/enlargement/events/calendar.htm](http://europa.eu.int/comm/enlargement/events/calendar.htm). This gives a run-down of public events related to the enlargement of the EU taking place in all current and future member states.

(note: now that acceding states take part in Council meetings and EP and ESC plenaries, these will from now on be listed in this calendar)

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tr>
<td>July 2003</td>
<td>European Commission Vice-President Neil Kinnock visits Lithuania for discussions on recruitment of new EU officials, and meets the President, Rolandas Paksas, prime minister Algirdas Brazauskas, finance minister Dalia Grybauskaite, foreign affairs ministry under-secretary Rytis Martikonis</td>
</tr>
<tr>
<td>Tuesday 8</td>
<td>European Parliament committee on employment and social affairs considers joint assessment papers on employment policies in candidate countries, Brussels</td>
</tr>
<tr>
<td>Tuesday 8-</td>
<td>European Parliament transport and tourism committee discussion with Karel Van Miert, chairman of the European trans-European networks high level group, Brussels</td>
</tr>
<tr>
<td>Friday 11</td>
<td>European Parliament committee on culture, youth, education, media and sport on regional and lesser-used languages in Europe in the context of enlargement and cultural diversity, Brussels</td>
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<tr>
<td>Wednesday 9</td>
<td>EU Council of Ministers working group on enlargement meets, Brussels</td>
</tr>
<tr>
<td>10th July</td>
<td>EU Council of Ministers working group on central Europe meets, Brussels</td>
</tr>
<tr>
<td>Tuesday 8-</td>
<td>Wilton Park Conference: How will enlargement change the European Union?, Warsaw</td>
</tr>
<tr>
<td>Friday 11</td>
<td>EU Council of Ministers working group on the Western Balkans meets, Brussels</td>
</tr>
<tr>
<td>10th July</td>
<td>European Commission President Romano Prodi visits Croatia</td>
</tr>
<tr>
<td></td>
<td>European Commission Vice-President Neil Kinnock visits Latvia for discussions on recruitment of new EU officials, and meets Prime Minister Einars Repse, foreign affairs minister Sandra Kalniete, justice minister Aivars Aksenoks, finance Minister Valdis Dombrovskis</td>
</tr>
</tbody>
</table>

Enlargement : Weekly Newsletter: 08 July 2003

10th - 11th July
European Enlargement Commissioner Günter Verheugen visits Bulgaria

Friday 11
European Parliament President Pat Cox meets ambassadors from the 15 member states and all 13 candidate countries at the Italian Embassy, Dublin

11-12 July
Informal employment and social affairs Council, Varese
Informal competition Council, Rome

10th - 12th July
European Commission-Italian Presidency conference on medicines discusses competition, regulation, access and availability in an enlarged European Union; Rome

15-16 July
Ecofin Council, Brussels

July 17th
David Byrne, European Commissioner for Health and Consumer Protection visits Poland

July 18th
David Byrne, European Commissioner for Health and Consumer Protection visits Hungary

18-20 July
Informal environment and energy Council, Montecatini

July 22th
European Enlargement Commissioner Günter Verheugen visits Hungary
General Affairs and External Relations Council, Brussels

22-23 July
Agriculture Council, Brussels

August 2003
Details tbc
Presidential elections (elected by the parliament), Latvia

September 2003
Sunday 14th
Referendum in Estonia on EU accession

Saturday 20th
Referendum in Latvia on EU accession

2004
May 2004
Saturday 1st
Entry into force of the accession treaty (according to conclusions of General Affairs Council, 18.11.02)

ENLARGEMENT WEEKLY is prepared for the Information Unit of the Enlargement Directorate General of the European Commission. As part of its communication strategy on enlargement, the Commission makes this bulletin publicly available. Comments are welcome and should be addressed by e-mail to enlargement@cec.eu.int.