# COUNCIL DECISION

## of 28 January 2002

## on the principles, priorities, intermediate objectives and conditions contained in the Accession Partnership with Slovakia

(2002/93/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 622/98 of 16 March 1998 on assistance to the applicant States in the framework of the pre-accession strategy, and in particular on the establishment of Accession Partnerships [1], and in particular to Article 2 thereof,

Having regard to the proposal from the Commission,

Whereas:

(1) The Luxembourg European Council stated that the Accession Partnership is a new instrument and the key feature of the enhanced pre-accession strategy.

(2) Regulation (EC) No 622/98 sets out that the Council is to decide, by a qualified majority and following a proposal from the Commission, on the principles, priorities, intermediate objectives and conditions contained in the individual Accession Partnerships, as they are submitted to each applicant State, as well as on subsequent significant adjustments applicable to them.

(3) Community assistance is conditional on the fulfilment of essential elements, and in particular on the respect of the commitments contained in the Europe Agreements and on progress towards fulfilment of the Copenhagen criteria. Where an essential element is lacking, the Council, acting by a qualified majority on a proposal from the Commission, may take appropriate steps with regard to any pre-accession assistance.

(4) The Luxembourg European Council decided that the implementation of the Accession Partnership and progress in adopting the *acquis* will be examined in the Europe Agreement bodies.

(5) The 2001 Commission's regular report presents an objective analysis on Slovakia's preparations for membership and identifies a number of priority areas for further work.

(6) In order to prepare for membership, Slovakia should continue to update its national programme for the adoption of the *acquis*. This programme should set out a timetable for achieving the priorities and intermediate objectives established in the Accession Partnership.

(7) Slovakia needs to ensure that the appropriate legal and administrative structures needed for the programming, coordination, management, control and evaluation of Community pre-accession funds are in place,

HAS DECIDED AS FOLLOWS:

*Article 1*

In accordance with Article 2 of Regulation (EC) No 622/98, the principles, priorities, intermediate objectives and conditions in the Accession Partnership for Slovakia are set out in the Annex hereto, which forms an integral part of this Decision.

*Article 2*

The implementation of the Accession Partnership shall be examined in the Europe Agreement bodies and by the appropriate Council bodies to which the Commission shall report regularly.

*Article 3*

This Decision shall take effect on the third day following its publication in the *Official Journal of the European Communities*.

Done at Brussels, 28 January 2002.

*For the Council*

*The President*

J. PIQUÉ I CAMPS

[1] OJ L 85, 20.3.1998, p. 1.

*ANNEX*

1. **Introduction**

At its meeting in Luxembourg in December 1997, the European Council decided that the Accession Partnership would be the key feature of the enhanced pre-accession strategy, mobilising all forms of assistance to the candidate countries within a single framework. In this manner, the Community targets its assistance towards the specific needs of each candidate so as to provide support for overcoming particular problems with a view to accession.

The first Accession Partnership for Slovakia was decided in March 1998. As provided for in Regulation (EC) No 622/98 (Article 2), the Accession Partnership was updated a first time in December 1999, taking into account further developments in Slovakia. The present revision is based on a proposal by the Commission following consultation with Slovakia, and draws on the analysis of the Commission's 2001 regular report on progress made by Slovakia towards accession.

2. **Objectives**

The purpose of the Accession Partnership is to set out in a single framework the priority areas for further work identified in the Commission's 2001 regular reports on the progress made by Slovakia towards membership of the Union, the financial means available to help Slovakia implement these priorities and the conditions which will apply to that assistance. The Accession Partnership provides the basis for a number of policy instruments which will be used to help the candidate States in their preparations for membership. These include *inter alia* the updated national programme for the adoption of the *acquis* prepared by Slovakia, the pre-accession fiscal surveillance procedure, the pre-accession economic programme, the pre-accession pact on organised crime as well as the national development plans, the rural development Plans, a national employment strategy in line with the European employment strategy, and sectoral plans necessary for the participation in the Structural Funds after membership and for the implementation of ISPA and Sapard before accession. Each of these instruments is different in nature and is prepared and implemented according to specific procedures and may be supported by pre-accession aid. They are not an integral part of this Partnership but the priorities they contain will be compatible with it.

3. **Principles**

The main priority areas identified for each candidate State relate to their ability to take on the obligations of meeting the Copenhagen criteria which state that membership requires:

— that the candidate State has achieved stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities,

— the existence of a functioning market economy, as well as the capacity to cope with competitive pressure and market forces within the Union,

— the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

At its meeting in Madrid in 1995, the European Council stressed the need for the candidate States to adjust their administrative structures to ensure harmonious operation of Community policies after accession and at Luxembourg, in 1997, it stressed that incorporation of the *acquis* into legislation is necessary, but not in itself sufficient; it is necessary to ensure that it is actually applied. The Feira and Gothenburg European Councils in 2000 and 2001 respectively confirmed the vital importance of the applicant countries' capacity to implement and enforce the *acquis*, and added that this required important efforts by the applicants in strengthening and reforming their administrative and judicial structures.

4. **Priorities and intermediate objectives**

The Commission's regular reports have highlighted, besides the progress already made, the extent of the efforts which still have to be made in certain areas by candidate States to prepare for accession. This situation requires the definition of intermediate stages in terms of priorities, each to be accompanied by precise objectives to be set in collaboration with the States concerned, the achievement of which will condition the degree of assistance granted and the progress of the negotiations under way with Slovakia. The priorities listed in the revised Accession

Partnership have been selected on the basis that it is realistic to expect that Slovakia can complete or take them substantially forward over the next two years (2002 to 2003). Within this list, issues that require particularly urgent action have been highlighted as such. The progress made in meeting the priorities of the 1999 Accession Partnership is assessed in the 2001 regular report. This assessment has been used in formulating the priorities for the current Partnership.

Slovakia submitted an updated version of its national programme for the adoption of the *acquis* (NPAA) in June 2001. The NPAA sets out a timetable for achieving priorities and intermediate objectives, based on the 1999 Accession Partnership, as well as necessary administrative structures and financial resources.

The Accession Partnership indicates the priority areas for Slovakia's membership preparations. Slovakia will nevertheless have to address all issues identified in the 2001 regular report. It is also important that Slovakia fulfils the commitments of legislative approximation and the implementation of the *acquis* in accordance with the commitments made under the Europe Agreement, and in the context of the negotiation process. It should be recalled that incorporation of the *acquis* into legislation is not in itself sufficient; it will also be necessary to ensure that it is actually applied to the same standards as those which apply within the Union. In all of the areas listed below there is a need for credible and effective implementation and enforcement of the *acquis*.

Drawing on the analysis of the Commission's regular report, the following priorities and intermediate objectives have been identified for Slovakia. These priorities are presented in accordance with the structure of the regular report ([1]).

*Political criteria*

Democracy and the rule of law

— ensure implementation of the civil service law; continue implementation of the public administration reform strategy, devoting due attention to the issues of training and remuneration,

— continue to strengthen the independence and the efficiency of the judiciary; devote particular attention to the training system for judges; ensure the provision of equipment and administrative staff,

— ensure the accountability and transparency of the investigation procedures,

— step up the fight against corruption and economic crime, in particular ensure the timely and effective implementation of the action plan to combat corruption.

Human rights and the protection of minorities

— continue improving the situation of the Roma through strengthened implementation of the relevant strategy, including the provision of the necessary financial support at national and local levels; measures aimed at fighting against discrimination (including within the public administration), fostering employment opportunities, increasing access to education, improving housing conditions; provide adequate financial support,

— ensure due implementation of the minority language legislation.

— ensure that an effective system for redressing police misconduct is established.

*Economic criteria*

— ensure medium-term sustainability of public finances by tackling expenditure reform, in particular of health and pension systems, and by continuing the reform of the public finance management system,

([1]) The order of presentation is that used as from the 2000 regular reports.

— continue enterprise restructuring and promote private sector development; complete the privatisation process,

— complete the financial sector restructuring and privatise the remaining State-owned banks and insurance company; ensure implementation of the bad-debt recovery mechanisms,

— implement new bankruptcy and investment promotion legislation, implement improvements to the regulatory framework for enterprises; open investment promotion to small and medium-sized enterprises (SMEs),

— complete the establishment of efficient land and capital markets in the rural and agricultural sectors.

*Ability to assume the obligations of membership*

Free movement of goods

— strengthen surveillance, oversight and complaint procedures and ensure implementation of the *acquis* in the field of public procurement,

— fully implement the law on technical requirements for products and on conformity assessment; fully align with and complete implementation of 'New approach' directives; complete alignment and effective implementation in the sectors covered by product specific legislation, including the fields of pharmaceuticals and chemicals, automobiles, and foodstuffs,

— upgrade to Community-level all market surveillance and conformity assessment structures, eliminate all previously mandatory certification; ensure effectiveness of implementing structures in all sectors, including as regards chemical substances; ensure a central procedure for authorisations for the placing of medicines on the market, as well as the procedure for mutual recognition of registrations,

— proceed with screening of Slovak legislation in the non-harmonised area to ensure it is in compliance with Articles 28, 29 and 30 of the Treaty and complete administrative arrangements for the future monitoring in this area.

Free movement of persons

— with respect to professional qualifications obtained before harmonisation, Slovakia should give priority to introducing measures to ensure that all its professionals can, from accession, meet the requirements laid down by the directives,

— complete alignment of mutual recognition of professional qualifications and diplomas and introduce required administrative structures, education and training programmes,

— reinforce the administrative structures for the coordination of social security.

Freedom to provide services

— complete alignment and implement directives on financial services legislation,

— reinforce supervision of financial services,

— strengthen the administrative capacity of the data protection office.

Free movement of capital

— progressively relax restrictions on institutional investors,

— strengthen and coordinate the supervisory institutions and procedures,

— complete alignment of legislation with the second Directive against money laundering.

Company law

— in need of particular urgent action: reinforce administrative capacity and the fight against counterfeiting especially by strengthening border controls. Intensify training for enforcement bodies including judges and prosecutors,

— complete alignment and enforce trademark, copyright and neighbouring rights legislation.

Competition policy

— complete alignment in both the State aid and anti-trust field, improve the administrative capacity of the State Aid Office; ensure the enforcement of the rules in anti-trust and State aid including the alignment of incompatible aid schemes; complete the State aid inventory and prepare the annual reports; increase awareness of the rules among all market participants and aid grantors; intensify the training of the judiciary in the competition field.

Agriculture

— in need of particularly urgent action: ensure alignment of veterinary and phytosanitary legislation and upgrade inspection arrangements, in particular complete the establishment of the border inspection posts at the future external borders,

— complete transposition of legislation on transmissible spongiform encephalopathies, plant passports, maximum residue levels, animal nutrition and ensure implementation and enforcement, including testing of animal diseases, in particular transmissible spongiform encephalopathies, in accordance with the *acquis*,

— upgrade the capacity of agricultural administration and complete preparations for the enforcement and practical application of the management mechanisms of the common agricultural policy, in particular the integrated administration and control system, the paying agency, quality and marketing standards and carcass classification, as well as for the implementation and enforcement of veterinary and phytosanitary and food safety legislation,

— reinforce the administrative structures needed for the design, implementation, management, monitoring, control and evaluation of Community-funded rural development programmes,

— continue the upgrading of food processing establishments so that they are in a position to respect Community food safety standards.

Transport policy

— complete legal alignment and strengthen administrative/enforcement capacity in road transport (in particular on social legislation including financial standing requirements for access to profession, fiscal harmonisation and technical and safety standards with regard to weights and dimensions and electronic tachographs) and in railway transport with a view to implementing the revised railway *acquis*,

— ensure the setting up and the efficient operation of an independent aviation accident investigation authority.

Taxation

— in need of particularly urgent action: develop IT systems so as to allow for the exchange of electronic data with the Community and its Member States,

— ensure legislative alignment with particular attention to the VAT and excise duty regimes, including the transitional VAT regime,

— eliminate discriminatory measures against imports from the Community,

— ensure that existing and future tax legislation complies with the principles of the Code of Conduct for Business Taxation,

— strengthen administrative capacity, including control and enforcement procedures, and administrative cooperation and mutual assistance,

— implement the Holding and Movements Directive.

Statistics

— further improve quality and coverage of statistics; ensure adequate resources are available to further strengthen statistical capacities, including at regional level.

Social policy and employment

— complete alignment and ensure proper implementation of the social *acquis*, in particular in the field of health and safety at work, as well as equal treatment for women and men. Strengthen the related administrative and enforcement structures, including the labour inspectorates. Adopt legislation against discrimination and develop a timetable for its implementation,

— complete transposition and ensure implementation of Community legislation in the field of public health; further develop measures in the area of surveillance and control of communicable diseases and health monitoring and information,

— continue to support social partners' capacity-building efforts, in particular with a view to their future role in the development and implementation of Union employment and social policy, including the European Social Fund, notably through autonomous bipartite social dialogue,

— prepare a national strategy, including data collection, with a view to future participation in the European strategy on social inclusion.

Energy

— implement the recommendations contained in the Council report on nuclear safety in the context of enlargement with due regard to the priorities assigned in the report,

— adopt and implement the decommissioning plan to close the two Bohunice V1 nuclear reactors by 2006 and 2008 respectively,

— continue to ensure a high level of nuclear safety at the Mochovce nuclear power plant as well as the two Bohunice V2 nuclear reactors and maintain a high level of nuclear safety throughout the decommissioning phases of Units 1 and 2 (V1) of the Bohunice nuclear power plant,

— continue to prepare for the internal energy market, notably the electricity and gas directives; complete the alignment process, establish an independent transmission system operator (electricity); eliminate remaining price distortions; strengthen the regulator,

— continue alignment of oil stock requirements; make progress in ensuring the actual constitution of stocks, including the necessary investments, towards the level of 90 days; strengthen the oil stocks body,

— further improve energy efficiency, enhance the use of renewable energy sources and strengthen the relevant institutions in this area.

Telecommunications and information technologies

— complete transposition and implementation of the *acquis*, with particular attention to cost orientation, interconnection and carrier selection in the telecommunications sector,

— complete separation of regulatory and ownership functions.

Culture and audiovisual policy

— strengthen the administrative capacity of the Council of Radio and Television Broadcasting.

Regional policy and coordination of structural instruments

— in need of particularly urgent action: ensure that the territorial organisation allows for the effective implementation of the Structural Funds regulations,

— complete legal framework which allows for the implementation of the *acquis* in this area,

— define the bodies in charge of the implementation of Structural Funds and the Cohesion Fund, in particular the managing and paying authorities; establish a clear division of responsibilities and improve the administrative capacity, in particular in terms of recruitment and training; ensure effective interministerial coordination,

— further develop a coherent development plan as required by the Structural Funds regulation; define the implementation structures of the final plan,

— set up the required monitoring and evaluation systems for Structural Funds, in particular for *ex ante* evaluation and for the collection and processing of the relevant statistical information and indicators,

— align with the specific financial management and control procedures for future Structural and Cohesion Funds under the relevant Community regulations,

— develop the technical preparation of projects eligible to Structural and Cohesion Funds assistance (project pipeline).

Environment

— complete transposition of the *acquis*, with a special emphasis on air quality, water quality, waste management, nature protection and industrial pollution control,

— continue implementation, in particular as regards genetically modified organisms, air quality, packaging and packaging waste, waste management, urban waste water treatment, drinking water, discharges of dangerous substances to aquatic environment and integrated pollution prevention and control,

— continue strengthening the administrative, monitoring and enforcement capacity at all levels. Particular attention needs to be paid to strengthening the Environmental Inspectorate and good coordination between the Ministries,

— continue integration of environmental protection requirements into the definition and implementation of all other sectoral policies with a view to promoting sustainable development.

Consumers and health protection

— complete alignment of legislation and the establishment of market surveillance and enforcement authorities.

Cooperation in the field of Justice and Home Affairs

— implement the Schengen action plan,

— ensure alignment of data protection practices,

— continue to upgrade and modernise the infrastructure at the Union's future external borders; upgrade law enforcement bodies, in particular with regard to border control and illegal immigration; continue preparation for future participation in the Schengen Information System by developing national databases and registers; accelerate the progressive alignment of visa legislation and practice,

— establish an independent body as the second instance in an asylum procedure,

— elaborate and implement an integrated and comprehensive strategy for the fight against organised crime,

— continue the fight against trafficking in human beings and drug trafficking; align Penal Code to *acquis* in the area of fight against organised crime and fraud; strengthen the capacity to deal with money laundering; ensure the implementation of a national anti-drugs programme,

— take the necessary steps in order to ensure the implementation of the Community instruments in the area of judicial cooperation in civil matters,

— ensure that the pre-requirements for the conclusion of a cooperation with Europol are met,

— ensure better coordination between services and agencies involved in the area of Justice and Home Affairs,

— take the necessary steps to complete alignment with the Convention on the Protection of the Communities' Financial Interests and its Protocols.

Customs union

— in need of particularly urgent action: accelerate the implementation of the IT strategy of the Slovak customs administration. Develop IT systems allowing for the exchange of computerised data between the Community and Slovakia. Provide for sufficient IT staff in the Slovak customs administration,

— ensure sufficient resource allocation for the collection of excise duties by the customs administration; ensure proper management of all aspects of Community policies managed by the customs authorities, and in particular with respect to the common agricultural policy,

— establish all the necessary specialised organisational units foreseen in the Act on state administration bodies in the field of customs,

— continue efforts to strengthen customs ethics, combat fraud and corruption, fight against economic crime and organised crime.

External relations

— take the necessary measures to ensure that any international treaties or agreements including bilateral investment treaties incompatible with the *acquis* are renegotiated or terminated by accession.

Financial control

— in need of particularly urgent action: complete implementing legislation for internal financial control,

— ensure proper functioning of the central unit for coordination and harmonisation of the methodology for financial management and control and internal audit throughout the government; establish internal audit units in the spending centres; introduce functional independence for internal auditors; ensure the operational capacity of the organisations mentioned,

— further develop audit manuals and audit trails (applicable for the control of Community funds in the same manner as for the control of funds from the State budget),

— enhance the overall operational capacity as well as the independent status of the Supreme Audit Office; ensure the compliance with the International Organisation of Supreme Auditing Institution's standards.

— strengthen the fight against fraud,

— designate a suitable central contact point for the protection of the Communities' financial interests and effectively start cooperating with OLAF through this contact point,

— step up efforts to ensure the correct use, control, monitoring and evaluation of Community pre-accession funding as a key indicator of Slovakia's ability to implement the financial control *acquis*.

5. **Programming**

For the period 2000 to 2006, in addition to PHARE, financial assistance to Slovakia comprises support for pre-accession measures for agriculture and rural development through the pre-accession instrument Sapard (Council Regulation (EC) No 1268/1999, OJ L 161, 26.6.1999, p. 87); and support for infrastructure projects in the fields of environment and transport through the structural instrument ISPA (Council Regulation (EC) No 1267/1999, OJ L 161, 26.6.1999, p. 73), which gives priority to measures similar to the Cohesion Fund in the pre-accession period. Under these national allocations, Slovakia can also fund part of its participation in community programmes including the research and technological development framework programmes and programmes in the areas of education and enterprise. In addition Slovakia will have access to funding from multi-country and horizontal programmes directly related to the *acquis*. Joint financing by the applicant States is systematically required for all investment projects. Since 1998 the Commission has worked with the European Investment Bank and the International Financial Institutions, in particular the European Bank for Reconstruction and Development and the World Bank, with a view to facilitating the co-financing of projects relating to pre-accession priorities.

6. **Conditionality**

Community assistance for financing projects through the three pre-accession instruments PHARE, ISPA and SAPARD is conditional on respect by Slovakia of its commitments under the Europe Agreement, further steps towards satisfying the Copenhagen criteria and in particular progress in meeting the specific priorities of this revised Accession Partnership. Failure to respect these general conditions could lead to a decision by the Council on the suspension of financial assistance on the basis of Article 4 of Regulation (EC) No 622/98.

7. **Monitoring**

The implementation of the Accession Partnership is monitored in the framework of the Europe Agreement. As underlined by the European Council in Luxembourg, it is important that the institutions of the Europe Agreement continue to be the framework within which the adoption and implementation of the *acquis* can be examined. The relevant sections of the Accession Partnership are discussed in the appropriate subcommittee. The Association Committee discusses overall developments, progress and problems in meeting the Partnership's priorities and intermediate objectives as well as more specific issues referred to it from the subcommittees.

The PHARE Management Committee ensures that actions financed under all three pre-accession instruments, PHARE, ISPA, and Sapard, are compatible with each other as well as with the Accession Partnerships as laid down in the Coordinating Regulation (Council Regulation (EC) No1266/1999, OJ L 161, 26.6.1999, p. 68).

The Accession Partnership will continue to be amended as necessary in accordance with Article 2 of Regulation (EC) No 622/98.