

GLOSSARY

ACCESSION PARTNERSHIP – the main instrument for the pre-accession strategies of the applicant countries and the EU. Its purpose is to determine the priorities and the necessary financial assistance for each area during the harmonisation of it to the legislation of the Union. Each country has to work out a detailed programme for the application of the *acquis*, determine the timetable for assignments, and the human and financial resources necessary.

ACQUIS COMMUNAUTAIRE or **COMMUNITY ACQUIS** – the body of rights and obligations that binds and links all the Member States in the EU. It does not cover only laws in the narrow sense, but also the common objectives laid down in given founding treaties. Each country that wishes to become a member of the EU has to accept the decisions in the foundation treaties and adjust its legislation with the community *acquis*

AGENDA 2000 – a document of the European Commission containing a programme of activities related to the development of the EU and the financial framework for enlargement with the new Member States in the period 2000-2006.

ASSOCIATED COUNTRIES – countries that have signed an associated membership agreement, that is, the Central and Eastern European applicant countries.

ASSOCIATION AGREEMENTS, EUROPE AGREEMENTS – a special form of association agreement between the EU and separate countries of Central and Eastern Europe and the Baltic countries. The basic objective of an agreement is the preparation of the associated countries for EU accession. It is based on the principles of respect for human rights, democracy, the rule of law and the market economy. Europe Agreements have been signed with ten countries: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

CARDS (Community Assistance for Reconstruction, Development and Stabilisation) - a new programme of EU technical and financial assistance for South East Europe (beneficiary countries: Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro and FYR

Macedonia), meant for the implementation of the stabilisation and association process. CARDS priorities are: reconstruction, the return of refugees and displaced persons, the stabilisation of the region; the establishment of the institutional and legislative framework (democracy, human rights, rights of minorities, reconciliation, civil society, media independence, the fight against organised crime); sustainable economic development and economic reform oriented towards a market economy; social development; cross-border, trans-national and regional collaboration.

CENTRAL EUROPE FREE TRADE AGREEMENT, CEFTA – the basic objectives of CEFTA are the harmonisation of the development of economic relations among the states signatories, the raising of the standards of living and the ensuring of better employment opportunities, increasing productivity, a rise in financial stability and the removal of trade barriers among the signatories. CEFTA created one of the preparatory activities on the way to full membership in the EU. In December 1992 the Agreement was signed by the then Czechoslovakia, Hungary and Poland; in 1996 by Slovenia, in 1997 by Romania, and in 1999 Bulgaria. Croatia signed a CEFTA Accession Treaty on 12 December 2002, and has become a full member on 1 March 2003.

COMMON AGRICULTURAL POLICY, CAP – its objective is to provide reasonable prices of agricultural products for European consumers, appropriate incomes for farmers and the application of the principle of single prices, financial fairness and a preferential approach to EU agricultural products. It is one of the most important common policies of the EU, and about 45% of the EU budget is spent on its implementation.

COPENHAGEN CRITERIA, ACCESSION CRITERIA – principles and criteria laid down at a meeting of the European Council in Copenhagen in 1993. The heads of Member States of the EU agreed that it would accept the countries of Central and Eastern Europe as members if they meet these political and economic criteria: (1) stability of institutions to ensure democracy, the rule of law, the respect for human rights and the rights of minorities; (2) respect for an effective market economy and (3) ability to assume the obligations that derive from the *acquis*, including the implementation of the political, economic and monetary objectives. The EU retains the right of decision as to when it will receive new members.

COUNCIL OF EUROPE – an intergovernmental organisation that encourages in the member countries the development of democracy, respect for human rights, the rule of law and promotes the European cultural heritage. The Council of Europe was set up in 1949 by ten European countries (Belgium, Denmark, France, Ireland, Italy, Luxembourg, Norway, Netherlands, UK and Sweden) and has today 43 members. All members of the EU are also members of the Council of Europe, which is headquartered in Strasbourg.

COUNCIL OF THE EUROPEAN UNION (often cited as the Council or the Council of Ministers in the texts) – the most important decision-making body of the EU. The members of the Council are the line ministers of the 15 states members, who meet according to the topics: for foreign policy, agriculture, industry and so on. Irrespective of the varying sectoral composition of the ministers of the Council, depending on the topic being debated, the Council works as a single institution. Each Member State chairs the Council for six months. According to the Amsterdam Treaty, the secretary general of the Council also acts as the high representative for the common foreign and security policy. In the institutional triangle of the Union (the European Commission, the Council of the EU and the EP), the Council represents the Member States.

ECONOMIC AND MONETARY UNION, EMU – the process by which Member States of the EU harmonise their economic and monetary policies with the ultimate aim of adopting the single currency, the euro. The Maastricht Treaty completely developed the objective of monetary union, the method and timetable for its creation. The European Central Bank is charged with the implementation of European monetary policy; since 1999 it has fixed exchange rates and introduced the common currency. From January 1991 on, the EMU had 11 members, and Greece joined in 1993. The common currency was not adopted by three Member States: Denmark, Sweden and the UK.

EUROPE AGREEMENTS → ASSOCIATION AGREEMENTS

EUROPEAN CENTRAL BANK, ECB – administers the European central bank system, its task being to determine cash flows, manage foreign currency transactions, manage the official foreign currency reserves of the Member States and look after orderly payments clear-

ing. It was founded on 30 June 1998, when it took over the responsibility for implementing European monetary policy.

EUROPEAN COMMISSION – the executive body of the EU charged with initiatives, the implementation of the founding treaties, governance and control. It is composed of 20 members (two each from France, Germany, Italy, Spain and the UK, and one each from the other countries). Members of the Commission are agreed on together by the Member States, and they are confirmed by the European Parliament, to which the Commission is answerable. The period of office of the Commission members lasts for five years. Within the context of the institutional triangle of the Union (the European Commission, the Council of the EU and the European Parliament), the Commission represents the European Community.

EUROPEAN COMMUNITY – an expression that used to be used unofficially (until the negotiations concerning the European Union) as a common term for all three communities: the European Coal and Steel Community, laid down by the 1951 Treaty of Paris, the European Economic Community (EEC) and the European Atomic Energy Community (EURATOM), founded in Rome in 1957. In official EU communications all these three communities are referred to in brief as the Community.

EUROPEAN COUNCIL – a concept that arose in practice, and was then founded by the Single European Act (1986). The heads of states or governments of the Member States of the EU meet at least twice a year with the president of the European Commission in order to debate questions essential for the EU.

EUROPEAN ECONOMIC AREA, EEA – created in 1992 by an agreement signed by the then 12 Member States of the European Commission and EFTA for the sake of the creation of a single market in which the freedom of the movement of people, goods, services and capital would be respected. Today the EEA consists of 18 states: the 15 states of the EU and the Member States of EFTA (Iceland, Liechtenstein, Norway). In the EEA area, about 80% of the regulations of the single EU market are applied.

EUROPEAN EMPLOYMENT STRATEGY, EES - a part of the wider political programme that the Union set off in 1997 in Luxembourg, and confirmed in Lisbon in 2000, the aim being to create an EU that is the

most dynamic and most competitive region in the world and to encourage greater employment and social cohesion.

EUROPEAN FREE TRADE ASSOCIATION, EFTA – an international organisation uniting the markets of Iceland, Liechtenstein, Norway and Switzerland into a free trade zone that is at the same time a platform for the participation of its three members (not including Switzerland) in the European Economic Area together with the 15 states of the EU. EFTA was founded by the Stockholm Convention of 1960 as an alternative to the EEC as it then was.

EUROPEAN MONETARY SYSTEM – an agreement by which the Member States of the EU linked their currencies so as to avoid great fluctuations in exchange rates and inflation. This monetary system, founded in 1979, was the forerunner of the Economic and Monetary Union.

EUROPEAN PARLIAMENT – the representative body of the inhabitants of the EU. Members of this Parliament have been chosen by direct ballot since 1979; the number of members chosen in a given Member State is in proportion to the population of the country as a share of the total population of the EU. The EP currently has 626 members, and its remit includes: consideration of the proposals of the European Commission, participation in the adoption of regulations, appointing and discharging members of the European Commission, the right to queries related to the work of the European Commission and the Council of the EU, division of authority in the adoption of the annual budget and supervision (with the Council) of the execution of the budget. In the institutional triangle of the Union (the European Commission, the Council and the European Parliament), the Parliament represents the citizens of the Union.

EUROPEAN UNION, EU – a supranational community created as a result of collaboration and integration that was started in 1951 by six countries (Belgium, France, Germany, Italy, Luxembourg and the Netherlands). After more than 50 years and four waves of enlargement (1973, Denmark, Ireland and the UK; 1981, Greece; 1986, Portugal and Spain; 1995, Austria, Finland and Sweden), the EU today has 15 members. The title of European Union was introduced in the European Union Treaty of Maastricht (1992). The first pillar of the EU consists of the three communities: the European Coal and Steel Community, the

European Economic Community and the European Atomic Energy Community; the second pillar is its common foreign and security policy; and the third is collaboration in matters of justice and internal affairs.

EVOLUTIONARY CLAUSE – a formulation from the Stabilisation and Association Agreement. In it, a state that starts the association process expresses its intention to join the EU, and the EU accepts this.

EXCHANGE RATE MECHANISM, ERM – the germ of the Economic and Monetary Union. This is a system of adjustable exchange rates in which the exchange rates of the Member States fluctuated within set limits. It was expected that this system would stabilise exchange rates, control inflation and be a spur to trade. Also developed was the ERM II system, as aid to countries that do not have the euro so that, respecting common economic criteria, they can prepare for membership in the Union.

MAASTRICHT CRITERIA – principles laid down in the Maastricht Treaty of 1992, when the Member States set up the EU and agreed on these criteria for the establishment of economic and monetary union and a single currency: (1) the rate of inflation can be at most 1.5% greater than the average rate of inflation of the three EU countries with the lowest inflation; (2) long-term interest rates must not be 2% higher than the average of the three EU countries with the lowest inflation; (3) the deficit of the national budget must not be greater than 3% of GDP; (4) the public debt must not be more than 60% of GDP; (5) the national currency must be in the normal ERM range (Exchange Rate Mechanism) during the two previous years.

PHARE PROGRAMME – an assistance programme set up in 1989 after the fall of communism in the countries of Central and Eastern Europe, the objective of it being the reconstruction of these countries. At first it covered only Poland and Hungary and was called Pologne-Hongrie: Assistance à la restructuration économique (hence the acronym). In time it spread to the countries of CEE (apart from Poland and Hungary, these are Albania, Bulgaria, Czech Republic, Estonia, Macedonia, Latvia, Lithuania, Romania, Slovakia and Slovenia, with the PHARE programme being replaced in 2000 in Albania and Macedonia by the CARDS programme). Apart from giving help to the reconstruction of the economies of these countries, PHARE is the main financial instrument of the pre-accession strategy of the ten countries

of Central and Eastern Europe that have submitted applications for EU membership. The objectives of the PHARE for the 2000-2006 period are mainly related to the construction of the institutions and the financing of investments in applicant countries.

PRE-ACCESSION STRATEGY – a form of assistance that ought to facilitate the economic and political transition in the countries of CEE. The European Council adopted it in 1994, and it is based on a deepening of the associated countries and EU institutions, development of the association agreements, financial aid via PHARE and preparations for integration into the single market.

SOCIAL POLICY PROTOCOL – this was adopted in Maastricht in 1991, and was signed by 11 countries of the EU (the UK did not sign). It was subsequently signed by Austria, Finland and Sweden. In it, the states signatories expressed their intentions to increase employment, improve conditions of work and life and so on. This topic was later included in the Amsterdam, and the Social Protocol ceased to exist as a separate document.

STABILISATION AND ASSOCIATION AGREEMENT, SAA – a new generation of Europe agreements offered to the countries of SEE as part of the stabilisation and association process. The Agreement governs the general principles, political dialogue, regional collaboration, the free movement of goods, the movement of labour, the foundation of legal entities, the provision of service and capital, harmonisation of laws, implementation of laws and rules of market competition, justice and internal relations, political and financial collaboration. The Agreement gives a signatory country the status of potential applicant for membership in the EU. Croatia signed such an agreement with the EU on 29 October 2001.

STABILITY AND GROWTH PACT, SGP – the foundation for the third degree of the establishment of the EMU which started on 1 January 1999. Its objective is to ensure the budgetary discipline in the member countries after the introduction of the single currency. According to the provisions of the Pact, the European Council can penalise a Member State that does not undertake measures to reduce an excessive deficit.

STABILITY PACT FOR SOUTH EASTERN EUROPE – a political document agreed on 10 June 1999 in Cologne, with the strategic objec-

tive of the convergence of the countries of SEE on the Euro-Atlantic structures and the strengthening of mutual collaboration. The pact sets up a framework for the collaboration of the states of SEE, the Member States of EU, the USA, the Russian Federation, international organisations (including international financial institutions) and various regional initiatives. In Croatia, it is the Ministry of Foreign Affairs that is charged with the coordination of all activities related to the Pact.

TRANSITION INDICATORS – a system of qualitative indicators for the transition countries that are published by the EBRD. In accordance with them, in values of from 1 to 4+, grades are given to the restructuring and privatisation of the corporate sector, the liberalisation of the market and the condition of financial institutions.

TREATIES OF ROME – these were signed in 1957 in Rome during the foundation of the European Economic Community (EEC) and the European Atomic Energy Community (EURATOM). They also set up a customs union among the countries of the ECSC (European Coal and Steel Community) and the objectives for the creation of a common market to ensure the free movement of people, goods, services and capital were laid down. The EEC and EURATOM treaties are often known as the Treaties of Rome.

TREATY ON THE EUROPEAN UNION, EU TREATY – a treaty that set up the European Union and defined the objectives of the EMU, the single currency, common foreign and security policy, a common defence policy, the introduction of Union citizenship and close cooperation in justice and internal affairs. The Member States signed it in 1992, and ratified it in 1993.

URUGUAY ROUND – trade talks that started in 1986 in Uruguay. It was only in 1994 that an agreement was signed by the ministers of 125 countries meeting in Morocco. Although the negotiations lasted many years, they are considered to have been successful because they covered a number of trade matters and heralded the foundation of the WTO.

WHITE PAPER – an EU document with proposals for future activities in a given area.

List of useful web addresses

Name of institution	URL	Description
CEFTA	http://www.cefta.org/	Site devoted to the Central European Free Trade Agreement
European Commission in the Republic of Croatia	http://www.delhrv.cec.eu.int/	
EFTA	http://www.efta.int/structure/main/index.html	Site of the European Free Trade Association
Economical and Social Committee of the EU	http://www.esc.eu.int/	Useful links to the European Parliament, the EU and the European Commission
EU Business	http://www.eubusiness.com/	News from Europe and the EU
EU in the USA	http://www.eurunion.org/	Publications, information about the EU in the USA; list of web sites of EU Member States
EU Observer	http://www.euobserver.com/	EU site with latest news from Europe
European Investment Bank	http://eib.eu.int/	
European Central Bank	http://www.ecb.int/	
European Union	http://europa.eu.int http://europa.eu.int/comm/enlargement/enlargement.htm	Official site of the EU EU enlargement site
Statistical Office of the EU	http://europa.eu.int/comm/eurostat/	
Council of the EU	http://ue.eu.int/	
European Commission	http://europa.eu.int/comm/index_en.htm http://europa.eu.int/comm/enlargement/docs/newsletter/weekly_arch.htm	Official portal of the European Commission Newsletter of the European Commission general administration for enlargement

European Parliament	http://www.europarl.eu.int/	Tasks; members; announcements
European Movement	http://www.europeanmovement.org/ http://www.mei.hr	
Ministry for European Integration	http://www.mei.hr/default.asp?ru=16 http://www.mei.hr/download/2002/06/05/E-H Glosar-fnal.pdf	European integration glossary English-Croatian glossary of the SAA
NYU School of Law – Jean Monnet Center	http://www.jeanmonnetprogram.org/calendar/index.html	Annual calendar of conferences and seminars related to European integration
Stability Pact	http://www.stabilitypact.org/	
PUMA	http://www.oecd.org/puma/	OECD site; information related to the area of administration and the organization of public sector
SIGMA	http://www1.oecd.org/puma/signaweb/index.htm	OECD and EU site concerning state administration and public sector reform in the countries of CEE
Slovenija doma i u Evropi	http://evropa.gov.si/	Information on the EU and Slovenia's accession process
The Court of Justice of the European Communities	http://curia.eu.int/	
European Court of Auditors	http://www.eca.eu.int/	

Index

A

Aarhus convention 235-242
 association
 fiscal effects 51-64
 recommendations 15-18

B

balance of payments 31-35
 banking 35-40
 bankruptcy procedure 117-118
 Bologna declaration 276-277
 Bologna process 276-277
 budget 49-77
 expenditure 59-63
 deficit 7
 revenue 51-59

C

capital flows 41-44
 CARDS 137-138
 civil procedure 114-116
 consumer
 protection 9-10, 201-221
 and EU enlargement 206-212
 candidates 208-212
 Croatia 212-216
 EU 202-206
 recommendations 216-218
 consumer rights 203
 corruption 144-146
 criteria of the EU 170-173
 economic 175-176
 legal adjustments 176
 political 174-175
 Croatia
 budget 49-77
 budgetary expenditure 59-63
 budgetary revenue 51-59
 changes in a year 12-14
 Constitutional Law
 concerning Minority
 Rights 260-266
 consumer protection 9-10, 212-216
 corruption 144-146
 customs 52-53
 democracy 141-144
 effects of membership 63-64, 76-77

environmental outlays 62-63
 environmental
 protection 10, 225-228
 education system 232-234
 information system 230-232
 institutional
 framework 228-230
 public involvement 234
 excises 53-54
 fiscal policy 49-77
 governance 138-152
 higher education 11, 282-284
 problems 286-291
 inequality 93-95
 infrastructure outlays 62-36
 judiciary 108-109
 meeting EU criteria
 economic 183-189
 political 178-182
 minority protection 10-11, 249-272
 after the Constitutional
 Law 260-266
 before the Constitutional
 Law 258-260
 EU requirements 257-258
 political rights 261-266
 political stability 147
 poverty 89-93
 problems in environmental
 protection 239-242
 problems of the public
 administration . 150-152, 189-192
 protection of property rights . 140
 public
 administration . 138-152, 168-169
 assessment 194
 harmonisation 177-189
 problems 150-152
 recommendations
 accession 15-18
 environmental
 protection 242-245
 consumer protection 216-218
 fiscal policy 69-71
 higher education 292-294
 judiciary 122-126

- minority protection . . . 266-268
 - public
 - administration 158-160, 194-195
 - social policy 96-100
 - social values 321-323
 - rule of law 139-141
 - social policy 88-95
 - state aid 61-62
 - strengths and weakness . . . 14-15
 - value added tax 52
 - customs 52-53
- D**
- democracy 141-144
- E**
- economic growth 24-31
 - strategies 29-30
 - enforcement procedure . . . 116-117
 - environment 62-63, 223-248
 - environmental protection 10, 223-248
 - Aarhus convention 235-242
 - educational system 232-234
 - information system 230-232
 - institutional framework
 - in Croatia 228-230
 - problems in Croatia 239-242
 - public involvement 234
 - recommendations 242-245
 - state of affairs
 - in Croatia 225-228
- EU
- conditional approach 173
 - conditions 135-138
 - consumer protection 202-206
 - current problems 5-6
 - economic criteria 175-176
 - fiscal rules 65-69
 - legal adjustment 176
 - membership criteria 170-173
 - minority protection 253-257
 - political criteria 174-175
 - reform of the public
 - administration 153-155
 - requirements on the public
 - administration 169-173
 - social policy 83-88
 - transfers to Croatia 54-59
 - trust in 301-326
 - European Court of Human Rights 119-122
 - European Higher Education Area 277-282
 - excises 53-54
 - exports 29-31
- F**
- fiscal effects of accession . . 51-64
 - fiscal policy 49-77
 - recommendations 69-71
 - fiscal rules of the EU 65-69
 - freedom of the media 143
- G**
- governance 8-9, 131-165
 - Croatia 138-152
 - definition 133
 - principles 135-136
 - recommendations 158-160
- H**
- higher education 11, 273-300
 - Bologna process 276-277
 - credit points transfers 297
 - Croatia 282-284
 - enrolment opportunities 296
 - European Area 277-282
 - fees and grants 298
 - problems 286-291
 - qualifications 295
 - recommendations 292-294
 - systems 294
- I**
- infrastructure 62-63
 - inequality
 - Croatia 93-95
 - institutional adjustments 1-20
 - investment 26-29
- J**
- judiciary 8, 105-130
 - international comparisons . 110-112
 - long lasting procedures . . 108-109
 - speeding up procedures . . 112-113
 - recommendations 122-126
- L**
- legislation
 - bankruptcy procedure . . . 117-118

- civil procedure 114-116
- enforcement procedure . . . 116-117
- procedural 113-118
- M**
- macroeconomics 6-7, 21-47
- media 143
- membership
 - effects 63-64, 76-77
- minorities 10-11, 249-272
 - after the Constitutional Law 260-266
 - before the Constitutional Law 258-260
 - international perspective on protection 250-258
 - political rights, 261-266
 - protection 249-272
 - EU and candidates . . . 253-257
- P**
- political stability 147
- poverty
 - Croatia 89-93
- procedural legislation 113-118
 - bankruptcy procedure . . . 117-118
 - civil procedure 114-116
 - enforcement procedure . . . 116-117
 - property rights 140
 - protection of
 - consumers 9-10, 201-221
 - and EU enlargement . . . 206-212
 - candidates 208-212
 - Croatia 212-216
 - EU 202-206
 - recommendations 216-218
 - of environment 10, 223-248
 - Aarhus convention 235-242
 - educational system 232-234
 - information system 230-232
 - institutional framework in Croatia 228-230
 - problems in Croatia 239-242
 - public involvement 234
 - recommendations 242-245
 - state of affairs in Croatia. 225-228
 - protection of minorities 10-11, 249-272
- after the Constitutional Law 260-266
- before the Constitutional Law 258-260
- EU and candidates 253-257
- EU requirements 257-258
- international perspective. 250-258
- political rights 261-266
- recommendations 266-268
- protection of property rights. . . 140
- public administration 8-9, 131-165, 167-200
 - assessment of the Croatia. . . . 194
 - capability assessment . . . 173-177
 - Croatia 138-152, 168-169
 - EU requirements 169-173
 - international comparisons 148-149
 - problems 150-152
 - problems in Croatia 189-192
 - recommendations 158-160, 194-195
 - reforms 152-157
 - EU 153-155
 - candidates 155-157
- R**
- rule of law 8, 105-130
 - Croatia 139-141
 - recommendations 122-126
- S**
- science 11
- social policy 7-8, 79-103
 - Croatia 88-95
 - EU 83-88
 - recommendations 96-100
- social values 12, 301-326
 - international comparisons. 307-318
 - post-materialist model . . 303-305
 - recommendations 321-323
 - situation reaction model. . . . 307
 - social capital theory 305-306
 - theoretical framework. . . 303-307
- state aid 61-62
- strategy of growth 29-31
- T**
- transfers 54-59
- trust in the EU 301-326
- V**
- value added tax 52