

## GLOSSARY\*

**ACCEDING COUNTRY** – a country that has fulfilled the criteria for EU membership, signed the accession agreements and is waiting to become a full member of the EU. Currently, such status is enjoyed by Bulgaria and Romania.

**ACCESSION NEGOTIATIONS** – the negotiations conducted by a candidate country with the EU member states on the conditions to be met for full membership of the EU. The negotiations sponsored by the European Commission are conducted on all chapters of the *acquis*. The results of the negotiations are included in an Accession Treaty governing all the conditions for EU membership.

**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.

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\* *Glossaries from the European Union ([http://europa.eu/scadplus/glossary/index\\_en.htm](http://europa.eu/scadplus/glossary/index_en.htm)) and the Ministry of Foreign Affairs and European Integration of the Republic of Croatia ([http://www.mvpei.hr/ei/download/2005/06/15/Mali\\_leksikon.pdf](http://www.mvpei.hr/ei/download/2005/06/15/Mali_leksikon.pdf)).*

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 was the preparation of the associated countries for EU accession. It was based on the principles of respect for human rights, democracy, the rule of law and the market economy. Europe Agreements were signed with ten countries: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

CANDIDATE COUNTRY– a country that has applied for the full membership of the EU and that has been given the status of a candidate country by the European Council based on a positive opinion of the European Commission. Such status is currently enjoyed by Turkey, Croatia and Macedonia.

CARDS (*Community Assistance for Reconstruction, Development and Stabilisation*) – a 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 appropriate 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. Since 2005, Croatia has been using only the regional component of the CARDS programme, because, having gained the status of a candidate country, it has been given the opportunity to utilize the pre-accession programmes PHARE, ISPA AND SAPARD. → PRE-ACCESSION PROGRAMMS

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 securing of better employment opportunities, an increase in productivity, a rise in financial stability and the removal of trade barriers among the signatories. CEFTA created one of the pre-

paratory 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 became a full member on 1 March 2003. Since 1 May 2004, besides Croatia, Bulgaria and Romania have been members of CEFTA.

**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.

**CONSTITUTIONAL TREATY** – on 29 October 2004 the prime ministers and foreign ministers of the 25 member states of the EU signed the European Constitution, the fundamental law of the Union, while representatives of the candidate countries, Bulgaria, Romania and Turkey, signed only the final part of the Constitution. The process of ratification of the European Constitution has to be completed in a period of two years. As the Treaty has so far been ratified by as few as 15 member states and two countries (France and the Netherlands) rejected it by referendum, the EU has introduced a period of deliberation to explore the options to resolve the current constitutional crisis. It is intended to replace all existing EU Treaties with a single consolidated document.

**CONVENTION ON THE FUTURE OF EUROPE** – an organised debate on the future of the EU started by the EU member states on the basis of the Laeken Declaration. According to the Declaration, the goal of the Convention was to initiate a broad debate on the key issues relating to the future of the EU and to prepare a Draft EU Constitution. The Convention started on 28 February 2002, and was concluded by presenting a proposal for a Draft Constitutional Treaty to the European Council in Salonica on 19 and 20 June 2003. The participants in the Convention, chaired by Valéry Giscard d'Estaing, were the representatives of the governments and parliaments of the EU member states and candidate countries, the representatives of the EU institutions and the representatives of social partners, non-governmental organizations,

youth and other stakeholders. The Convention on the Future of Europe was an innovation in the history of the EU, as previous intergovernmental conferences aimed at signing treaties had not been preceded by public debates open to all stakeholders. → LAEKEN DECLARATION

COPENHAGEN CRITERIA – principles and criteria for membership 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 met 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 to decide when it will receive new members.

COREPER → PERMANENT REPRESENTATIVES COMMITTEE

COUNCIL OF EUROPE – an intergovernmental organisation based in Strasbourg 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 10 European countries (Belgium, Denmark, France, Ireland, Italy, Luxembourg, Norway, Netherlands, UK and Sweden) and has today 46 members. All members of the EU are also members of the Council of Europe. → EUROPEAN COUNCIL, COUNCIL OF THE EUROPEAN UNION

COUNCIL OF THE EUROPEAN UNION (often cited as the Council or the Council of Ministers) – the most important legislative body of the EU. Since it is composed of the ministers of the national governments of the member states, national interests are represented in this institution at the European level. Today, the Council of Ministers shares its legislative role in many areas with the European Parliament. This is the result of the democratisation process of European integration, in which the role of the European Parliament, the only democratically elected body at the European level, is becoming constantly stronger. Although in many areas it no longer makes independent decisions, in the Union, no decision of a legislative nature can be made without the involvement of the Council of Ministers. The composition of the Coun-

cil varies according to the area in which the decisions are being made. When this is, for example, the Common Agricultural Policy, the agriculture ministers of the member states sit in the Council, when it is to do with the arrangement of the trans-European railway networks, the ministers of transport or other appropriate departments of the national government will take their seats. Within the institutional triangle of the Union (EC, EU and European Parliament), the Council of the European Union represents the member states. → EUROPEAN COUNCIL, COUNCIL OF EUROPE

DEMOCRATIC DEFICIT – a term used to describe the fact that, owing to the complexity of its structure and decision-making process, the EU suffers from a lack of democracy and seems inaccessible and hard to understand to the ordinary citizen. In the professional literature this term also stands for the institutional set-up of the EU which is dominated by the Council of the European Union and the European Commission, the institutions combining legislative and executive powers. The role of the European Parliament, the only institution whose members are elected by direct vote, is relatively minor. However, owing to the growth in importance of the European Parliament over the years and numerous initiatives to simplify the organization of and decision-making process in the EU, as well as to ensure more transparency in its operation, the democratic deficit has been gradually reduced.

ECOFIN – Council of Ministers of the EU for economic and financial affairs.

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 process of creating the EMU unfolded in three phases, the last of which was the foundation of the European Central Bank, the determination of exchange rates and the introduction of the single currency. The single currency was not adopted by three member states: Denmark, Sweden and the UK. The ten member states who joined the Union on 1 May 2004 must adopt the euro as soon as they meet the convergence criteria. They were not granted opt-out clauses during the accession negotiations.

EURO, the – single currency that on 1 January 1999 was accepted by 11 members of the EU (Austria, Belgium, Finland, France, Ireland, Italy, Luxembourg, Holland, Germany, Portugal and Spain), the ultimate aim being the total abolition of national currencies. Denmark and the UK used the right to remain outside the “euro zone” (according to the Maastricht Treaty), while Greece and Sweden did not formally satisfy the convergence criteria by the time mentioned. Greece, having met these criteria, entered the euro zone in 2001. The introduction of the euro as the single currency in the EU is the third phase of Economic and Monetary Union. The total replacement of national legal tender in the euro zone with euro bills and coins was carried out at the end of February 2002.

EUROBAROMETER – the name of a survey performed by the European Commission in the member states, aimed at monitoring the public opinion of EU citizens concerning the EU enlargement, social circumstances, health, culture, environmental protection, the euro, defence issues, etc.

#### EUROPE AGREEMENTS → ASSOCIATION AGREEMENTS

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT, EBRD – was founded in 1991, the aim being to help the former communist countries in their transformation into market economies. In 27 countries, through investment into mostly private firms, either on its own or with partners, the Bank promotes structural and sectoral reforms, market competition, privatisation and entrepreneurship, the strengthening of financial institutions and legal systems, the necessary development of infrastructure for private sector development and the adoption of good corporate governance, including awareness of environmental protection. Croatia became a member of the European Bank for Reconstruction and Development on 15 April 1993. The bank’s headquarters is in London.

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

EUROPEAN COMMISSION, EC – a political body that represents the interests of the EU as a whole. It proposes laws, policies and programmes, and is responsible for the implementation of the decisions of Parliament and the Council. Until the accession of the new members, it was 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. In the new mandate, 2004-2009, the Commission is composed of 25 members. The period of office of 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 EU) 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 unofficial EU communications all these three communities are referred to for short as the Community.

EUROPEAN COUNCIL – refers to the meeting of heads of state or heads of governments of EU member states with the President of the EC. Meetings are held four times a year, in order to discuss important EU issues. → COUNCIL OF EUROPE, COUNCIL OF THE EUROPEAN UNION.

EUROPEAN ECONOMIC AREA, EEA – created in 1992 by an agreement signed by the then 12 member states of the European Commission and 6 members of 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 the 25 EU and 3 EFTA member states (Iceland, Liechtenstein, Norway). In the EEA area, about 80% of the regulations of the single EU market are applied.

EUROPEAN EMPLOYMENT STRATEGY, EES – one of the pillars of the Lisbon Strategy based on three objectives: (1) full employment,

(2) higher productivity and quality at work, and (3) social and territorial cohesion. → LISBON STRATEGY

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 25 states of the EU. EFTA was founded by the Stockholm Convention of 1960 as an alternative to the EEC as it then was.

EUROPEAN INVESTMENT BANK, EIB – is a financial institution of the EU that was organised in 1957 by the Treaty of Rome. The objective of this institution is to contribute to the integration process and in general to the objectives of the EU, through the provision of long-term financial resources for certain capital projects in the Union and other countries worldwide.

EUROPEAN MONETARY SYSTEM, EMS – 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 NEIGHBOURHOOD POLICY – a new policy calling on neighbours to the east and south of the EU to take part in the process of ensuring peace, stability and prosperity, its objective being to create a ring of friends around the borders of the new, enlarged EU.

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 new Constitutional Treaty says that no matter how small a country is, it has the right to a minimum of six members in Parliament. National quotas for each new member are laid down in the Accession Treaties. The maximum number of members in the Parliament is also laid down by the Founding Treaty. The European Parliament currently has 732 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 five waves of enlargement (1973, Denmark, Ireland and the UK; 1981, Greece; 1986, Portugal and Spain; 1995, Austria, Finland and Sweden; and the ten new members in 2004), the EU today has 25 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 (ECSC), the European Economic Community (EEC) and the European Atomic Energy Community (Euratom); the second pillar is its common foreign and security policy; and the third is collaboration in matters of justice and home affairs.

EUROSTAT – the statistical office of the EU collecting and processing comparable statistical data from the EU member states.

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.

EXCESSIVE DEFICIT PROCEDURE – member states are obligated to avoid excessive budgetary deficits, i.e. they must maintain budgetary discipline, respecting two criteria: the budgetary deficit must not amount to a sum that is more than 3% of GDP, and the public debt must not exceed a sum equivalent to 60% of GDP. If these values are exceeded in some country, what is called an excessive deficit procedure is activated at the level of the Union. The procedure establishes the level of the deficit, measures to cope with it, and possible financial penalties. The Stability and Growth Pact stipulates the procedure if this is an excessive deficit.

EXCHANGE RATE MECHANISM, ERM – the germ of the Economic and Monetary Union. This was 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. → ECONOMIC AND MONETARY UNION

FINANCIAL PERSPECTIVE – the basic objective of this is to lay down seven-year political priorities and to curb overall growth in budgetary expenditure in the EU. It is the fruit of agreements between the European Parliament, the Council and the Commission, and determines the maximum amount and structure of expenditures anticipated. So far four such agreements have been made: the 1988-1992 Financial Perspective (the first Delors package), the 1993-1999 Financial Perspective (the second Delors package), the 2000-2006 Financial Perspective, which is the foundation for the Agenda 2000 financial package and the Financial Perspective 2007-2013. → AGENDA 2000

INSTRUMENT FOR STRUCTURAL POLICIES FOR PRE-ACCESSION, ISPA – was officially launched on 1 April 2000, the aim being to provide help to the EU candidate states in their preparations in the area of transport and environmental protection. The main priorities of the programme are: education concerning EU policies and procedures, assistance in reaching EU environmental protection standards, and expansion and linkage with trans-European transport networks. → PRE-ACCESSION PROGRAMMES

INTERREG III – an initiative of the Community, the aim of it being to enhance economic and social cohesion in the EU through the encouragement of the balanced development of the European continent via cross-border, trans-border and inter-regional collaboration. The initial idea of the Interreg initiative, adopted in 1990, was to prepare the border areas of member states for a community with no internal borders. Member states of the EU that take part in Interreg III can use the resources of the European Regional Development Fund for this purpose. States that are not EU members must finance their own participation in this initiative from their own resources and/or if the EC approves, from the EU assistance programme. At the EU level, within the context of the European Commission, the Regional Policy Directorate-General is charged with Interreg III affairs.

## LAEKEN DECLARATION → CONVENTION ON THE FUTURE OF EUROPE

LISBON STRATEGY – a set of joint strategic objectives adopted at the European Council meeting in Lisbon in March 2000, according to which the EU is to become the world's most competitive and dynamic knowledge-based economy by 2010, capable of sustainable economic growth, with the highest level of employment and strong economic and social cohesion.

MAASTRICHT CRITERIA, CONVERGENCE 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.

NEW MEMBER STATES – Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia completed their negotiations and from being candidate countries became member states of the EU on 1 May 2004.

PERMANENT REPRESENTATIVES COMMITTEE (*Comité des représentants permanents*, COREPER) – a body consisting of the member states' permanent representatives (ambassadors) to the EU in Brussels. The Committee provides assistance to the Council of Ministers at a stage of preliminary negotiations and consultations about the proposals and drafts of instruments put forward by the European Commission. The COREPER's task is to prepare the decisions and discuss other issues of political importance for the meetings of the Council of Ministers.

PHARE PROGRAMME – an assistance programme set up in 1989 after the fall of communism in the countries of Central and Eastern Eu-

rope, 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 of today). In time it spread to the countries of CEE. Apart from giving help to the reconstruction of the economies of these countries, PHARE was the main financial instrument of the pre-accession strategy of the ten countries of Central and Eastern Europe that submitted applications for EU membership. The objectives of PHARE are mainly directed to building up institutions and the financing of investments in candidate countries. → PRE-ACCESSION PROGRAMMES

PRE-ACCESSION PROGRAMMES – As a form of aid for preparation of the countries of Central and Eastern Europe for membership in the EU, the EU founded three programmes for the 2000-2006 period: PHARE, ISPA and SAPARD. The PHARE programme concentrates on the building up of institutions, participation in Community programmes, economic and social cohesion and industrial restructuring. The SAPARD programme deals with the modernisation of agriculture and rural development, while ISPA supports infrastructure projects in the area of transport and environmental protection.

PRE-ACCESSION STRATEGY – a form of assistance that was supposed to facilitate the economic and political transition in the countries of CEE. The European Council adopted it in 1994, and it was 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.

SAPARD (*The Special Accession Programme for Agriculture and Rural Development*) – a special EU accession programme for agricultural and rural development meant for candidate countries. The objective of the programme is to assist candidate countries to overcome problems of structural adjustments in their farm sectors and rural areas and to afford assistance in the implementation of the *acquis* in the area of the Common Agricultural Policy, and the whole of the relevant legislation. The programme was launched at the beginning of 2000, and the candidate states have the right to make use of it until they join the Union. → PRE-ACCESSION PROGRAMMES

**SCREENING** – the first stage of negotiations for EU membership. It consists of determining the areas of a candidate country’s legislation that must be adjusted with the EU *acquis* and evaluating the current level of compatibility of the country’s legislation with the EU rules and the need for further adjustments. The screening serves as a basis for bilateral negotiations between the EU member states and each of the candidate countries.

**SINGLE MARKET, INTERNAL MARKET** – the conceptual framework for the unification of the economic area in the EU through the realisation of the four freedoms, as they are called – freedom of movement of people, goods, services and capital without any internal borders. Today the concept “internal market” is used more, and this is how the same meaning is defined in the European Union Treaty, i.e. the abolition of all internal barriers to the functioning of the four freedoms. The Single European Act of 1986 was the first to make essential amendments to the Treaty of Rome (which paved the way for the creation of a common market) necessary for the establishment of a single market, and at the beginning of 1993 the internal market of the EU started functioning.

**SOCIAL POLICY PROTOCOL** – adopted in 1991 in Maastricht, and signed by 11 EU countries (the UK did not sign it). It was subsequently signed by Austria, Finland and Sweden. In it, the signatory countries express their intention of increasing employment, improving living and working conditions and so on. This area was later included within the purview of the Amsterdam Treaty, and the Social Policy Protocol ceased to exist as a separate entity.

**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 services 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 and it entered into force on 1 February 2005.

STABILITY AND GROWTH PACT – the foundation for the third degree of the establishment of the Economic and Monetary Union, which started on 1 January 1999. Its objective is to ensure 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 budgetary deficit.

STABILITY PACT FOR SOUTH EASTERN EUROPE – a political document agreed on 10 June 1999 in Cologne, with the strategic objective 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 and European Integration that is charged with the coordination of all activities related to the Pact.

STRUCTURAL FUNDS, COHESION FUND – these constitute a part of the structural policy of the Union, the objective of which is to reduce the gap in development between the rich and the poor regions and member states of the EU and to promote economic and social equality. The four structural funds are *the European Regional Development Fund, ERDF*; *the European Social Fund, ESF*; *the European Agricultural Guidance and Guarantee Fund, EAGGF* and *the Financial Instrument for Fisheries Guidance, FIFG*. The Cohesion Fund was set up in 1993 in order additionally to reinforce structural policy. It is meant for cohesion countries the per capita GDP of which is less than 90% of the Union average, and its aim is to finance environmental protection and transport infrastructure. They make about one third of the EU budget.

EUROPEAN INNOVATION SCOREBOARD – contains a number of standardised indicators of innovation activities. The EC adopted the first such document in 2001.

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, founded in 1951 by the Benelux countries, Germany, France and Italy) and defined the objectives for the creation of a common market to ensure the free movement of people, goods, services and capital. When the Maastricht Treaty (the European Union Treaty) came into force, the European Economic Community was renamed the European Community.

**TREATY OF NICE** – entered into force on 1 February 2003. It is the result of an intergovernmental conference that started in February 2000 and ended in December of the same year. The Conference dealt with the composition and work of the EU institutions after the following waves of enlargement. By the entry into force of this Treaty and the EU enlargement with the accession of new countries, changes were introduced in the composition and the manner of functioning of the European Parliament, Council of the European Union, European Commission, Court of First Instance of the European Communities, European Court of Auditors, Economic and Social Committee and the Committee of the Regions.

**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. In some cases it follows a Green Paper published to launch a consultation process at European level.