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EU Presidency of Hungary – 2011

Priorities and Opportunities







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PREFACE

Gabriella Enisz – István Csáki Euro-Atlantic Club

The Euro-Atlantic Club has taken the first step to introduce a new method of studying European policy issues by the first volume of its periodical, the European Spirit. The journal consists professional publications in an informal way by the aim of reach a larger scale of readers. In our opinion the European Spirit will be able to contribute to the intellectual development of domestic and foreign readers, the authors' recommendations and guidelines will be successfully able to call the local 'policy makers' attention to present issues and exploitable opportunities.

Having regard to the Euro-Atlantic Club's objectives, we hope that this informal and readable form helps the readers — mainly whose work directly affected by the consequences of decisions at European level — to understand the background of the European processes without reading through complicated studies, institutional decisions and in this sense save time and energy. In order to achieve these

objectives, authors try to describe this priorities and objectives in a more informal style but on scientific basis.

The next half year will be a great and special opportunity for Hungary and the Central and Eastern European region also, which offered a good medium for the first compilation. Hungary will hold the office of the President of European Union for the first time in 2011. The Lisbon Treaty entered into force and the Presidency's duties have declined significantly, however, Hungary have the chance to define and focus on some unique Hungarian priorities and issues and areas where European awareness could rise. The efficiency of that will be depended on our experts in Brussels and the Hungarian members of the diplomatic corps, i.e. how they will be able to apply the possible tools of lobbying through the reconciliation of interests and representation of the views of the Hungarian government.

Hungary in order to select effectively its main priorities and to prepare itself for unexpected challenges that are waiting for the country under the term of its office studied the opinions and achievements of the former presidencies. This knowledge contributed to the compilation of the Trio Joint Program presented in the end of 2009 in cooperation with the Belgian and Spanish governments for the 18-month period.

Hungary recognized in time the real potential of the presidency, so it is constantly trying to fill it with more and more unique content. In the context of preparations for the Hungarian government is an important admonition by the former presidencies - as the Belgians in the Trio - that the moderation may be more appropriate than the neglect of promised elements or the inherited issues. This will be able to generate a significant loss of prestige at European level, that won't be faded by positive achievements and results in other areas.

Next to these issues of the Hungarian Presidency we should take into account the so-called unexpected events, which - at the European level - also negatively affect on the image of the presidency if we won't find appropriate solutions. Think of the Czech presidency, which although well executed the tasks, but some unexpected events - such as "gas and Gaza" and its political crisis - result to negative judgments defined by the European mass media.

The presidencies have only narrow options to operate in their own way because of the fixed tasks what they have to fulfill. Taking this into consideration Hungary emphasised only for wider subject matters - "Growth, jobs and social inclusion, Stronger Europe", "A Union close to its citizens", "Enlarging responsibly and engaging globally" – during drawing up the properties of the joint trio program in the middle of 2009. Goals and tasks of the presidency had expended since the release of the joint program as economical and political processes came to pass in Union. Modification of the Treaty. management of the effects of the financial crisis, coordination of economic governance and economic policy, matters of Romany people, settling issues in connection with slowing down of enlargement process, clinching energy strategy, reform of Common Agricultural Policy and its relations to common budget, Danube Region Strategy, Eastern Partnership, enlargement of Schengen area and we could mention a lot of other subjects that Hungary had to deal with besides providing ordinary management and meaningful amount of folders will be inherited from Belgium.

Poland, our important partner, will hold the position of the president after our period in the second half of 2011 that provides – in consideration with common goals – a tremendous opportunity for Hungary and the whole region. Mindful of the fact that our ambitions coincide in more aspects we can – cooperating with each other continuously – look forward to a year estimating success for the whole region and long term results.

In intended priorities of Hungarian presidency in subject matter of growth and employment for preserving European social model are included among other things – in respect of Europe 2020 strategy – focusing on job creation and sustainable development, improvement of state of small and medium enterprises, effect of matters of demography and family policy, fight against children poverty and integration of Romany people. In theme of stronger Europe the main goals of Hungary are to start a genuine discussion of certain sector policies' future specially the future of CAP, to create effective cohesion policy and to make energy policy handled as a high priority of EU. The necessary tasks to realise a Union close to its citizens are continuation of executing Stockholm Programme, supporting free

movement citizens by promoting accession of Romania and Bulgaria to Schengen area, protection of fundamental rights, advancing cultural diversity as an European value to prevent. Continuation of enlargement is a high priority of Hungary, it will do its best to make a Croatian accession negotiations concluded in the first half of 2011. Reinforcement of eastern dimension of neighbourhood policy is also a significant goal within the scope of this Budapest will host second Eastern Partnership Summit in May 2011.

This publication is not intended to present all the topics indicated as high priorities of Hungarian presidency. Rather it make an effort to highlight and discuss targets, and try to draft recommendations, owing to that Hungary as a president of EU could gain long term results for its region and for whole Europe by taking advantage of important novel and more wide cooperation opportunities involved in European integration and by promoting changes in institutional and decision-making issues. To the former belong to within the scope of Eastern European presidencies' year they expansion of cooperation opportunities with Poland and realisation of Danube Region Strategy making a new form of macro-regional cooperation focusing on issues of environmental protection, water and regional The latter contains continuation of Eastern development. Partnership opening new dimensions of collaboration with eastern neighbours of EU, utilization of opportunities involved in the new decision making system and probable shaping of cohesion policy which could have direct fiscal effects on Hungary.

Studies presented in this publication will be prospectively due to their inspiring style forerunner of European Spirit's next number, which has an unconcealed aim to discuss other priorities.

Botond Feledy, Ph.D.

Good morning, Hungary! Interest representation in Brussels

About the author

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We have learnt from Lucius Annaeus Seneca that the appearances of things are deceptive. *Fallaces sunt rerum species*. This statement is also valid for the institutions of the European Union: one meets first a citizen-friendly, calm and positive communication on a daily level. On the other hand, however, if we venture just a little closer to the everyday battles of the institutions and of the corridors of Brussels, we may fully perceive that this community has a much less friendly face as well. It is no doubt that the European idea has filled its first role: the Member States coexist peacefully with each other since the Second World War. On the ground of such truth, the idea got strong among idealist voters of the EU12 that the cooperation of national capitals is a friendly game. Sadly, both visions are based on misconceptions: it is nor friendly, neither peaceful.

The story is well-known: in the beginning was the foundation of the Community, where France had called for the integration of the coal and steel industry in order to keep an eye on the defeated Germany. Afterwards the Treaty of Rome followed with a common oversight of numerous economic areas. In addition, the only chance for Bonn (later Berlin) to resurface in world politics and to find new ways of influence was provided within the framework of the future Union. The national and economic interests stayed at the forefront during later enlargement cycles. That is not quite what the unselfish cooperation and the peaceful coexistence could be all about.

After the fall of the Iron Curtain, it was evident for the former Soviet satellite states that they had to join the Union. In the nineties, a political party hardly counted legitimate without a deliberate intention to engage with the western alliance system(s). Hungary's foreign policy has been essentially determined by the Euro-Atlantic integration — till the moment when the enlargement treaties were signed. Since its successful NATO and EU accession, nevertheless, the Hungarian diplomacy is trying to find new balances without great success. This hesitant foreign policy is further hindered in its stabilisation by the government cycles with quite different values and ideas.

The clear articulation of our foreign and security policy as well as the economic strategy of Hungary is yet to come. There is no doubt, the great interconnectedness of global politics does not facilitate the definition of long lasting policies. Slowly we realize that the bipolar stability was the exception in history rather than the multipolar complex system of states, based on the constant balance of interests. Seemingly we have to return to this complex and difficult worldview, giving up the black-and-white logic of the cold war, and adapt ourselves to this new (meanwhile very ancient) situation.

What is happening in Brussels?

Countless players abound on the political scene of Brussels, among which we may identify certain - more or less unified - groups of interests. Although "the Union" appears as an integrated whole from the outside, such perception would only be pertinent in few international questions, but certainly not from the inside. That view is very different. The hierarchic European institutions constantly struggle internally and at the same time, they are exposed to interinstitutional fights. This is aggravated by the 27 different national interests of the member states, not to mention the intersecting interests of third countries and other powerful advocacy coalitions.

The picture is nevertheless simple: the EU institutions are conducting guerilla war for the strengthening of their legitimacy and for the extension of their powers, getting into real wars at the occasions of renegotiation of the treaties. The reinforcement of the European Parliament, the widening of comitology, the serious weight of the European Summit, these are all steps in the institutional evolution of the EU: the Committee of the Regions is a result of a French-German rivalry, corroborated by the Maastricht Treaty where French interests prevailed.

The so called and acclaimed supranationality of the European Commission remains an illusion, especially at the level of Commissioners, being nominally in charge for the direction of the organization "in the European interests". Small wonder, as political candidates of their respective member states, history demonstrated well that they can hardly and rarely make themselves independent of their homeland. This may be true even for certain Directorate-Generals, which sometimes fall pray of informal national interest representations.

The European Union therefore brings our peace by civilising warfare. Instead of artilleries and rifles, one needs pen, paper, excellent negotiation skills and smooth decision-making. Strategic negotiators are required instead of generals, though the presence of a Metternich, Talleyrand or Castlereagh would be warmly welcomed. Despite all discourses on the world village of globalization, one feature of Brussels is inescapable when we look behind the scene: forceful national interest representatives and merciless business pressure groups are participating in civilised battles each day. Anyone entering the gates of Brussels with illusions would be taking high risks, as a general disarming his army too quick after a ceasefire. That is the reason why we find Clausewitz's famous statement quite fitting the institutional context of Brussels: if the "war is the continuation of politics with different means", then the peace is nothing else but the sophisticated use of weaponry.

Armoury

The Brussels Battlefield is divided into two parts. On the one hand, one witnesses the classical diplomatic mission of the representation of the "raison d'État" in the different formations of the Council of the EU, complemented by the intensive involvement of national government organizations, non- and for-profit actors. On the other hand, there is a lobby market on its own, consisting of business actors, NGOs, professional and regional representations, all trying to reach out the deepest possible to most EU institutions, in particular to the Commission.

When talking about lobbying, this activity should be clearly separated from corruption. The two phenomena shall be strictly unconnected, an intention supported by the Hungarian Lobby Act of 2006 – with insignificant impact. Despite efforts, the two notions remain highly inter-associated in CEE countries. The image of

corruption is notwithstanding catastrophic through all 27 member states: 78% of the EU population agreed to the statement that corruption is a "central problem". The Hungarian average was above this score: 96% of Hungarians agreed to the above according to the last relevant Eurobarometer. Hence, it is fairly difficult to do lobbying in the midst of such suspicion, exacerbated with the lack of know-how, institutional memory and proper training.

The common image of a lobbyist reminds us to the difference between the secret agent of a James Bond movie and the reality of National Information Services. The lobbyists' most time-consuming task consists of monitoring the environment, checking the pulse of the legislation continuously. Any face-to-face negotiation is preceded by thorough preparation and research. The art of persuasion is coming only to the top of all: after the successful artillery fire and dominance in the air may the soldier make the first step on the land.

Hungarian Presidency

The role of president offers a splendid opportunity for Hungary to the stabilisation of its interest representation system for two reasons. The elevated attention to the Hungarian diplomacy and the possibility of brokering present a great occasion for the administrative leaders to connect better with their EU counterparts, to make themselves known on a larger scale in the other member states. In other words this is a chance to networking, because a phone call during the presidency is received differently as later. The public administration should not forget to keep the fluctuation rate as low as possible among the personnel trained for and during the presidency. Otherwise the expanded phonebooks will migrate elsewhere.

Not the last, the apropos of Hungary's role serves as a pretext to make one more public campaign back at home: let's clarify again for the Hungarian SMEs, NGOs and other organizations that their direct or indirect presence in Brussels is a must. As the *bon mot* says in the Belgian capital, one comes to understand the decision-making of the Union once having been president of the Council. It is not only the

absence of certain know-how that makes us vulnerable, but basically the lack of interest of the Hungarian society. The majority of us have not yet understood that decisions are *not anymore taken by Budapest alone*, that it is more worth lobbying in Brussels in several cases than at the national Parliament.

When Hungarian advocacy coalitions — civil or business — are not strong enough to articulate their own interests in a European interest group because of the stronger presence of others, then they have to learn how to go alone or to find new allies in the battle. The Brussels lobby market has developed wide offers: from ad hoc lobby mandates to permanent offices in Brussels, it is all up to the financial sources. However, first the realization must come: Brussels is useful in manifold ways.

When the six month long presidency time is over, these two branches of the Hungarian Brussels-army must be linked together and kept together — perhaps under the auspices of the Permanent Representation. The hubs of the Hungarian network around the EU institutions may be reconnected in a more efficient way. This ought to be part of any new national strategy.

Parallel to the preparation of the presidency, a new government is transforming the Hungarian administration. The reforms should already focus on the closer connection of Budapest and Brussels: it could strengthen the fori between the two, open new channels and include the need for larger liaison staff in the human resource planning. The decision-makers should pay attention not to lose the EU-experienced staff, even if the government party was not the same during the first six years of our EU membership as it is now.

Not only experience must be collected, but the transmission of knowledge of networks shall be institutionalized as well. The diplomats, national experts and other public officers sent to Brussels could undergo the same preparation in the same institute, where the formation, the enrichment of the Brussels network and the facilitation of knowledge-transfer would be guaranteed by a single entity. This is no secret service activity, just the necessary adaptation

to the reality of the info-communication environment of the 21th century. As Hungary has to make up its leeway in interest representation compared to certain member states with long decades of EU-experience, the focus and centralization of the management of the Hungarian Brussels network seems to be reasonable.

As long as there are member states that provide organized preparation for the European *concours* – even for their public officers, - Hungary is lagging behind: no serious plan was set up in the last six years. The co-operation with the Hungarian eurocrats is not at all worked out, there is no such thing as the ENA alumni for example. It is no surprise to those who knows the corridors of Brussels that each legislative dossier should be followed up by lobbyists at each institutional level, from the Commission till the very end, when in the final lecture the Parliament and the Council finalize the act. Overarching information are indispensable for better interest representation.

A crucial difference between the US Congress and the EU institutions resides in the fact that the former is more defensive and the latter is rather offensive. The lobbyists of Capitol Hill are usually playing on a veto – to kill an initiative in the making, whereas in Brussels the game is the opposite. Once the Commission tables an official legislative initiative, it is just question of time and patience – even if years – when it turns into effective legal stipulation. In other words, there is significantly less hope in Brussels that a proposition could be dropped. We have *no choice* but to participate in the making.

The Hungarian presidency may also facilitate one more mental change. Several political decision-maker of Hungary, sometimes simply due to not speaking foreign languages, are unable to recognize the impact of "political" tourism to Brussels. It would be a sin if the incubators of the new generation of politicians were not using the adequate filters to bring up a "Europeanized" elite. However, one faces easily a challenge when looking for competent political decision-makers for a European mission at home. Hungarians simply weaken themselves by not respecting their own needs.

We can all but hope that the weight of the presidency is going to make it explicit: the machinery of the EU is always turning, shall we pay attention to it or not. We are inevitably moving together with the mass of the EU due to the moment of inertia, though that could never be named as national interest representation.

Time by time one may meet the argumentation that first we ought to get strong at home, and only then will we be able to join the European battles. This is nevertheless an illusion because it ignores reality: Hungary has a small and open economy, which can only gain weight internationally through more important allies.

In order to be victorious in the battles at home, first we have to be strong in Europe. Hungary has to gradually represent the interests of the Carpathian region, the Visegrad countries, the EU12, etc. The debate is not always about money, mostly one has to form the legal frameworks to make the most benefit out of them. Legal tools may foster or hinder many economic activities, let just remember the case of the Service Directive.

We have no choice in accepting that the sovereign Hungary alone cannot exist in the 21th century. Our EU membership is essential. The Hungarian political elite should not embark on emotional adventures regarding this necessary coalition. It would be much more useful to act and negotiate rationally, profiting from the political and economical opportunities of the European Union.

Judit Epresi

Experiences and lessons of the Swedish EU Presidency

About the author

Judit Epresi is a student of international relations and Scandinavian studies at Eötvös Lóránd University. Primary fields of her research are foreign policy of northern countries and their role in policies at EU-level.

In the second half of 2009 Sweden took over the European Council presidency for the second time after 2001. This has certainly required more consultations and coordination than the first time, as the number of member states increased to 27 and the integration became deeper and more complex — automatically meaning additional burden to the organizers.

Sweden had to face major problems during the presidency, such as the lasting economic and financial crisis of Europe or the uncertain institutional future of the European Union. As the Swedish Prime Minister Fredrik Leinfelt has said, a 'hectic autumn' was waiting for them because of the need of institutional reforms. He identified the implementation of the reforms of the Union as a great challenge, in the process of which first the ratification of the Lisbon Treaty had to be finalized. An urgent treatment for the economic crisis was also required, negotiations regarding the election of the next President of the Commission had to be conducted and the appointment of the first permanent European Council president and the High Representative of the EU's Common Foreign and Security Policy for the two new executive positions created by the Lisbon Treaty was on the agenda as well.

As a guideline to the half-year period, besides the institutional matters, two main – and quite ambitious – areas have been identified as priorities. The economic situation together with employment and the wide range of issues connected to climate change. Additional objectives included the adoption of the Baltic Sea Strategy and the Stockholm Program, the enlargement process and the strengthening of the European Union's global role with the institutional changes and with the accomplishment of the geopolitical objectives.

On the plenary session of the European Parliament on 16th September 2009 the Portuguese José Manuel Barroso has been reelected for President of the Commission. On 1st December 2009 the Lisbon Treaty entered into force and subsequently among plenty of criticism, but courtesy of the effectiveness of the Presidency, two new high-functionaries have been appointed. The quiet, and as some said, rather boring Belgian Prime Minister, Herman Van Rompuy has

been elected as the permanent president of the European Council for two and a half years, and the British baroness Catherine Ashton, who was completely unknown on international stage became the High Representative of the Common Foreign and Security Policy.

One of the main aims of the six-month presidency was the successful recovery from the economic and financial crisis. The aim of the Presidency was to handle a future crisis with better conditions, through the regulation of economic and financial entities. The Hungarian presidency also emphasises these issues with the primary purpose of strengthening economic governance.

Since autumn 2008, the work of the EU Presidencies in economic and financial matters was essentially determined by the economic crisis. However, due to the favourable predictions, the efforts of the Swedish Presidency – besides the coordination of the crisis management programs – focused on the coordination of the liquidation of the crisis management measures ('exit strategy') and on improving the fiscal positions of the member states because of their worsening fiscal status. In order to avoid new crisises, strong regulators were set up in relation with the micro and macro structures, which have cross-border surveillance activities. This has meant a step forward in creating long-term sustainability of public finances.

The Presidency considered the preparation of the post-Lisbon Strategy as an important tool for tackling the economic crisis, which strategy encourages economic growth and employment. The new strategy by 2020 is thought to be premature, however, the majority of member states agreed that increasing employment and the sustainability of fiscal policy is an important factor for the growth of the power potential of the EU and only economic recovery can result in long-term increase of employment levels.

Climate change almost automatically became the topic of the Swedish Presidency, as Sweden has always set an example to be followed being leaders in reducing greenhouse gas emissions. About the climate policy the Presidency had two closely related objectives. First, to achieve a common, unified and ambitious mandate for the 2009 Copenhagen Climate Summit, where the countries had to establish a new agreement and second, to promote the legally binding consensus of the international partners for the Climate Agreement with active and constructive action. It was very important to convince the countries, which are causing major greenhouse pollution (China, USA), to have better engagement in the mitigation of climate change. In addition, new targets have been set to help developing countries, where the negative impacts of climate change are already noticeable, thus it is inevitable to ensure further development of the clean energy sector. The EU member states agreed on all points of disputes, however, the position of the relevant international partners could not be completely affected, and this resulted in the unfortunately non-binding political agreement.

Another cornerstone of the Swedish environmental protection program is the belief in the eco-efficient economy and the idea that environmental protection and development is compatible with economic growth and competitiveness. The continuation of this thought is reflected in the coming program of the Hungarian Presidency about energy and climate policy.

The revision of the Hague Programme has also been adopted during the Swedish Presidency. The plan about validation of rights, freedom and security under Justice and Home Affairs was named after the Swedish capital (Stockholm Program). The program is for the period of 2010-2014 and it defines the development trends of the region. It was adopted in December 2009 by the European Council. The was left to the implementation Spanish-Belgian-Hungarian Presidency and to their successors. The document defines the progress of the immigration and asylum policy as the first objective. This is the first EU legislation that describes the system of rights and obligations focusing on European citizens. During the debate of the program the Hungarian interests – support of the Roma integration, strong fundamental rights and privacy chapter, strengthening the cooperation between member states in the area of road safety, geographical balance between eastern and southern dimensions in the area of external relations, and the expansion of the Schengen area - have been successfully represented. Besides the Roma integration, the support of immigration and asylum policy and other targets, the accession of Romania and Bulgaria to Schengen will also be included in the program of the Hungarian Presidency.

In October 2009, the European Council endorsed the Baltic Sea Strategy, which serves as a model in many regard for the proposed Danube Region Strategy. The macro-regional co-operation has been created because after the 2004 enlargement, the challenges of the region seemed better to be solved within the framework of an international regional cooperation. The EU's first macro-regional development strategy – which first uses the coordination of different EU policies for a 'macro-region' – is designed to improve the environmental condition of the Baltic Sea, maintain the balanced economic development of the region and boost economic competitiveness. The cooperation enables more efficient use of available resources and increases security in the Baltic Sea region.

The program is a decisive step, as it opens a new way of working together in the Union, because it builds on the determination of a region and of its citizens instead of laws or institutions; however it wishes to comply with common challenges. This initiative can and will be a model for the Danube Region Strategy, and also shows that besides current issues, Presidencies should also put emphasis on areas of policy, which are most fitting their political or economical profile.

The Union's external relations were intended to be strengthened especially in connection with the West Balkans and the Eastern Partnership. For Sweden the strengthening of the eastern dimension of the European Neighbourhood Policy was a natural priority in order to enhance regional cooperation among countries of the region.

The most important step connected to enlargement was the Croatian-Slovenian agreement, which counts as a milestone in the process of Croatian accession, because after a long quarrel the negotiations could finally move forward. In the case of Turkey the objectives were achieved as well, with one new open chapter in each negotiation round. Another real success of the Presidency was the

adoption of visa-free travel for citizens of Serbia, Montenegro and Macedonia – also an important area for Hungary as well.

The progress of the European Union's enlargement process and the support of the West Balkans countries were considered the major foreign policy achievements by Carl Bildt, Swedish minister for foreign affairs. He also stressed that during the presidency the Union actively supported human rights movements and democratic forces in China, Iran, Burma, Cuba and Honduras. Bildt highlighted that the EU – in cooperation with the UN – will continue to play a significant role in the political, economic and security stabilization of Afghanistan and will assist the Afghan government.

One important aim of the Presidency Program was to give proper substance to the Eastern Partnership which was launched in May 2009. The Swedish Presidency has taken steps to accelerate negotiations on association agreements, and activities of multilateral platforms have also been launched. On these fields however, the Union could still not manage to achieve a resounding success. Hungary also has to focus on this area, which is also a priority in energy matters, for which the Eastern Partnership Summit in Budapest in the first half of 2011 seems to be a great occasion.

The Presidency also intended to strengthen the role of the European Union 'as a global actor' in the international arena. First in order to support peace, development, democracy and human rights and second, in order to have closer cooperation with international partners in foreign policy, trade and development.

In the preparatory consultations of the Swedish Presidency, civil society could also play a role. Civil organizations have participated in various conferences, meetings and informal ministerial meetings, and they have also been informed of the operative functioning of the Presidency. At the Baltic Sea Conference local governments and representatives of different regions had the opportunity to constructively assist the preparations.

Behind the Swedish Presidency stood an exemplary political alliance, as the efficient work has been secured with an internal political fellowship. The governing (liberal-conservative) and opposition (social democratic) parties have agreed that during the six-month presidency they shall not engage in any harsh political battles considering EU or foreign policy matters.

The way Sweden carried out its organizational tasks as 'host nation' was impressive. They have recognized that the ongoing Presidency should strive to the highest possible standards to arrange Councils and other attached meetings without language barriers that would jeopardize effectiveness. Although it is impossible to plan emergency situations in advance, learning from the case of its predecessors, Sweden has recognized that the Presidency shall always be prepared for unexpected events.

Also, to make the work of the EU more effective, the Swedish Presidency organized informal meetings for EU ministers on an island near the Swedish capital. At the meetings there were no joint declarations or decisions, but relaxed, peaceful environment and informal conversations. With the increase in the number of formal meetings it is more and more difficult to create an open, friendly atmosphere, so the Swedish government contributed with these informal meetings to the effectiveness of the Council.

In the overall picture, the Swedish Presidency lived up to expectations, more or less successfully fulfilled their main objectives and implemented their ideas before they passed the presidential duties on to the Spanish-Belgian-Hungarian trio.

David Görömbölyi Ph. D.

2011 – The year of Central European EU presidencies

About the author

David Görömbölyi Ph.D. is a diplomat, foreign policy analyst and lecturer. Obtained MA degrees of law and EU studies at the University of Debrecen and at the Jagiellonian University in Krakow. His major fields of research are international organizations, the Neighbourhood Policy of the EU, Poland and the Eastern Partnership Concept. He has been active in numerous national and international institutions. Currently he is the EU-presidency liaison of the Hungarian Ministry of Foreign Affairs in Warsaw.

The year 2011 carries unprecedented opportunities for our region. The Hungarian and Polish presidencies of the Council – naturally, in cooperation with other partners – can make Eastern Central Europe the driving force of Europe for this period. Moreover, all this at a time, when essential, determining matters of the long-term future of the integration are lined up on the agenda. What do we make out of this chance? That is certainly another question, but besides some important external factors, success will mostly depend on ourselves.

The writer of this study has had the good fortune to participate in several Hungarian-Polish bilateral consultations, negotiations, expert meetings in recent months and years, and at these occasions has often referred to the proverb which exists identically in both languages: 'strike, while the iron is hot'. Because this iron is hot now. Most of the region's countries have participated in running the European Union for six years, and the new ones have also gathered years of Brussels experience by now. However, with very few exceptions we could not play a leading role in forming policies or even defining major tendencies so far. But the Presidency of the EU, or precisely speaking the Presidency of the Council of the European Union is all about it: setting the directions, placing the emphasis, tailoring the 'latest fashion' for Europe. So it is clear to see that the above mentioned iron has never been so hot before, and mark my words: it will not be this hot again for long, long years to come.

Examining the state of play, one shall also not overlook the fact that politically we are in a rather fortunate period considering the bilateral relations of the two countries. There is a general understanding among experts that after all these years of wasted opportunities, the Hungarian-Polish relations have shown significant progress both in intensity and depth in recent months. What is more, the leaders of the two countries are in close partnership at the level of party politics under the aegis of the European People's Party. The personal relationship between prime ministers Viktor Orbán and Donald Tusk and foreign ministers János Martonyi and Radosław Sikorski is close and friendly, therefore we may predict that any lack of political will, which hindered the success of certain former presidencies, will not jeopardise our achievements in 2011.

Common objectives - effective partnership

Reading the above one might logically ask the question: why this enthusiasm, what are the fundaments of the idea of our jointly coordinated "presidency year"? This time the answer is obviously more than the legendary Polish-Hungarian friendship. Apart from the uniquely complex social and civil network of connections, we now have a series of common issues and interests linking our countries together. For the harmonization of these we always had the necessary forums, but with the Presidencies coming up, it is time to raise the stakes. In the region since the change of systems almost 'all roads have led to Visegrád', meaning certainly the unavoidable structure of the V4 cooperation, which is also accepted and acknowledged in Western Europe – but we shall come back to that later on. So it is natural, that we rely on each other among the new circumstances of 2011 and try to coordinate our performances behind the curtains.

Obviously, this present study is not intended to deeply analyse the presidency priorities of the two countries, but it is well worth to compare the most important Hungarian and Polish objectives, which show us the connection points 'á la carte' to see where it is useful to cooperate.

Apart from the expected, but not yet detailed amendment of the Treaty, the Hungarian Presidency identified four priority issues, in which the EU has to achieve tangible progress during the six month of the Hungarian presidency. These four areas are: 'Growth, employment and social inclusion', 'Stronger Europe', 'Citizenfriendly Union' and 'Enlargement, Neighbourhood Policy, External Relations'.

The most important component of the first priority is to strengthen economic governance within the EU, certainly based on lessons learned from the economic crisis. Progress in this area will be a real evaluation of the whole Presidency, as the future of Europe depends on if we can ensure financial sustainability. From the Polish side we can expect full support, and Warsaw has already stated that the issue

will remain high on the agenda from 1st July on as well. Considering some of the open questions we are on the same side and in these matters Hungary expects a positive role from Poland just as in forwarding certain elements of the 'Europe 2020' strategy (e.g. job creation, combating child poverty or the traditional EU policies) as well.

In view of the demographic elements we do not have opposing interests, so Budapest counts on Warsaw's support, although the Polish program will probably not contain specific references to the Hungarian objectives, which are primarily family policy issues and the integration of the Roma communities.

The 'Stronger Europe' chapter includes two crucial elements, launching the debates of the next financial perspective and the common EU energy policy. The two Presidencies agree that the financial perspective should be politically guided, and that the debate has to take place in the General Affairs Council. On specific sub-areas (CAP, cohesion policy, etc.) we have the same goals. It goes without saying that energy policy is the strongest bond in the region, as our problems with energy sources have the same roots, and there is a general belief in the region that a common policy can be a solution to these problems in many respects. Other elements of 'Stronger Europe' include the creation of the Strategy for the Danube Region, against which there were some Polish concerns, but most of the misunderstandings had been clarified; and the special Hungarian item, "water policy", which is certainly a new initiative, but given the recent natural disasters in Poland, we may possibly count on Warsaw's support.

'Citizen-friendly Union' covers the implementation of the Stockholm Program targeting the reform of home and justice issues; plus cultural diversity, which is an important priority for Hungary, and the only one of our goals, in which we cannot count on the unconditional support of the region, moreover, very careful and consistent work is necessary to achieve significant results on this front.

The main task of the last priority package, 'Enlargement, Neighbourhood Policy, External Relations' – from Hungarian point of view – is the accession of Croatia and in this we have the support of the regional partners. As regards our neighbourhood, the Eastern Partnership Summit in Budapest will be a special event during the presidency of Hungary, which is of utmost importance for Poland and, accordingly, Warsaw has repeatedly expressed its support for the idea of joint organization of the summit.

The Polish program – due to the time they still have for preparation – is certainly not yet worked out in details like the Hungarian, but major guidelines, priorities can already be spotted.

The top priority of the Polish presidency in order to recover faster and completely from the crisis will be the comprehensive strengthening of the internal market, which is closely linked to our economic objectives. It also matches the Hungarian plans that Poland includes the Eastern relations in its program, and again, Energy Policy shall be a special priority for the second half of the year as well. In addition, it is also obvious that the debate of the next financial perspective gets a separate chapter in the Polish plans. Further two major topics – Common Security and Defense Policy and exploitation of Europe's intellectual capital – do not affect the Hungarian ideas directly, but they are consistent with the interests of the region, and it is of course important for each Presidency to define itself with one or two unique, characteristic priorities.

The above summoned Hungarian and Polish programs show clearly that the paths we intend to take are similar. But some serious organization, will and concentrated action is needed to harmonize these common interests. Fortunately, the past few months show that both the political will and the coordination are in place, as there have not only been meetings between the two prime ministers and the ministers for foreign affairs, but also countless discussions and negotiations by specific priorities and sub-areas. It is also rather beneficial that in Enikő Győri and Mikołaj Dowgielewicz the presidencies have found two exceptionally skilled, determined and

competent decision-makers to guide the preparations and the show itself as state secretaries.

So these discussions do cover the necessary spectrum horizontally and vertically as well, the assessment of the options and tasks is continuously going on from the permanent representations in Brussels, through state secretary meeting rooms in Budapest or Warsaw or experts' discussions on different areas, all the way through corridor conversations during breaks of working group sessions. Perhaps it is fortunate in this respect that the predetermined trio partners – not having many common substantial features – lack the enthusiasm to deeply coordinate activities, thus our Hungarian-Polish cooperation to ensure essential continuity between the trios may not seem rude even for the more sensitive Brussels observers.

Talking about the region, it is important to note that the two Presidencies are trying to harmonize their presidential objectives with other countries of Eastern Central Europe, and expect these partners to support their goals. The individual bilateral meetings and the invitation of these countries to our consultations help the creation of a common voice for the region at least as much as the informal ministers' meetings in the margins of Council sessions or the negotiations of the Visegrád Group do.

The tasks and methods are constantly changing, of course. Currently, both Presidencies are in the preparatory phase, which practically means the starting line for Hungary, however, Poland still has half a year to go. In the coming semester all members of the Hungarian diplomacy will focus with all engines blazing on the successful implementation of the priorities, while Poland will still try to 'finetune' its own performance and monitor Hungarian actions and solutions to incorporate the positive or negative lessons into their own workflow. In the second half of the year, however, the situation will change, as having passed on the duties the Hungarian presidency will operate in a 'follow-up function', transferring the initiated work and monitoring the ongoing processes, while Poland will reach its 'maximum output' all the way till the end of the year. The proper flow

of coordination during the year will be provided in parallel by the delegated liaison diplomat of the Hungarian Presidency in the Polish Ministry of Foreign Affairs and the never-ceasing direct communication of the leaders of any substantial areas concerned.

The question marks

Based on all these factors above, the year 2011 could be an overwhelming success. However, we should also take a look at some circumstances which are working against us, or just simply making our goals more difficult to achieve.

Perhaps the most important is that the available time for preparation has never ever been this short for any previous presidencies. Regardless of the political stand, one can easily see that those leaders of the administration who were responsible for the preparations, around the year 2008-2009 already knew that they probably will be out of office by the time of the presidency, so the level of attention was not as high as it should have been. Therefore it could happen, that in the spring of 2010 Poland was ahead of us in many areas, even though they still had more than a year and a half to go, while Hungary has already reached the final straight. Since then it is all full throttle, but half a year is unfortunately not enough to make a miracle — especially when it comes to background discussions, lobbying and coalition-building, which are the real fundaments of a presidency's success.

The role of the region, or even more the definition of the region is also an important question. For many, it has long been obvious that the Visegrád cooperation is 'out of date' – at least in its present form –, and it is time to determine the framework of further cooperation on the basis of current objectives, conditions, trends of the region and most importantly to determine the participants of the new structure. Hungarian experts would first expand the team inviting Romania and Slovenia, but the Baltic countries and Croatia – after its accession – are also welcome. It would be an obvious breakaway from the elite nature of the V4, but it is actually our own Visegrád

partners, who show more hesitancy in that matter. For Poland the leading role of the V4 is convenient because Poland alone carries more EU votes due to the population-based EU mathematics than Hungary, the Czech Republic and Slovakia together. In addition, not only the Polish, but also the other two partners insisted on keeping the structure and the name Visegrád, because without a doubt it has a 'trade mark' character in Western Europe. They simply pay more attention to Visegrád than to some ad hoc cooperation between the Member States. The solution will probably be the 'Visegrád Plus' formula, but this does not answer the questions about the self-definition and the identity of our region.

It is also a logical question, how much the other V4 members will be interested in the Hungarian or Polish success in cases, where there is no interest in common. The Czech presidency of the EU has since become a synonym for failure, so it is doubtful that they would be happy in case of a top-class Hungarian or Polish semester, and as for Slovakia, we shall not even start to analyze their dissonances with Hungary in the last few years, even though a slight progress has been visible recently.

It is also an interesting problem that the foundations of the post-Lisbon system are still rather unstable, and its effects are illustrated primarily in the common foreign and security policy. Furthermore, the entry of the Permanent President of the Council Van Rompuy and of the High Representative Ashton gives place for two potential solutions. The one is the currently running 'Belgian school', which is trying to minimize their own role to the minimum in the cases concerned, having passed all the initiative to the High Representative, who has not been particularly successful so far. The other will be the 'Polish school', which adopts the standards of Lisbon, but is not willing to give up the political initiative in the control of specific cases especially when it comes to the participation in the creation of the agenda, thus stressing the role of the Presidency-in-office.

Obviously, this situation is sensitive for any future Presidencies, and a new country, which is specifically interested in the economic and risk-free solutions, is exponentially tempted to go with the first solution. The Belgian way is really cheap and risk-free, but without a doubt, the Polish vision has the real chance for success. Be fair, with general, average EU cases – apart from rare exceptions – the leaders of any presidencies don't really make the headlines. But the union's foreign policy in some important relations or in case of a conflict usually increases the attention of the media, thus with proper compliance it is easier to create the image of a successful presidency.

Let us think about what we would prefer to hear about in the evening news? A successful round of Brussels negotiations on fisheries or what the Hungarian Foreign Minister said after a Middle-East peace conference as chairman? Which issue has the chance to hit the front page of the Financial Times, the reform of the EU comitology procedures, or the Hungarian Prime Minister after having conducted a negotiation with President Obama or with President Medvedey, representing the EU?

Finally, we should certainly mention our major ally in the game, Poland, as a cooperation is always up to the partners themselves. It is a well-known fact that the Polish style of negotiation and background lobbying is hard as a rock. If in some cases it proved to be too difficult even for Germany or France, then it certainly will not be easy for us, Hungarians either. Poland has repeatedly declared that their fundamental interest is a successful Hungarian Presidency that they intend to take further. However, behind the protocol, it seems that they would not be disappointed, if one or two Hungarian objectives would eventually be achieved in the second semester, thus resulting easy and comfortable successes for their diplomatic and political leaders as well.

Place your bets!

So here it is, the year 2011, just 'round the corner with all its possibilities and doubts. One year from now, looking back, it will obviously be easy to evaluate and analyze what and how could we have done better. However, right now all we can do is guess if the

desired results will be achieved by the Hungarian and the Polish Presidencies, and if we could efficiently help each other along the road.

The writer personally believes that the result will be somewhere between black and white, maybe even closer to white. The current dynamism of the preparations and the political commitment guarantee that our presidencies will not be mentioned together with the Italian or Czech Presidencies because of their errors. Thus there will be no failure of any kind. But the relatively low importance of our countries — especially of Hungary — within the EU, some external circumstances and the yet unpredictable situations — which may and will happen simply because of the scale and complexity of the task — urge caution and remind us that it would be naivety, or even more, irresponsibility to expect an overwhelming success.

The most important is to fulfill our fundamental obligations and professional responsibilities in connection with the presidency at the highest level, and to promote our political goals in every possible form – those will be decided by the entire EU anyway.

Considering the joint performance of the two Presidencies, the heated expectations may become more modest later, but it does not mean that we have the right to release each other's hands anymore, since the interdependence in promoting our interests is obvious. The measure of success in this can be if we would keep the current willingness to cooperate concerning the experiences, the organizational issues, the areas without common interests, or in case of unexpected situations, and most importantly, whether we will be able to speak a common Central-European language at the decisive moments of 2011.

Europe is watching us now, and we have to live up to the tasks of the six or twelve months confidently. We have declared what we want, and now we have to go along the road firmly and helping each other to demonstrate a successful and common image to the European Union, to the Member States and to all European citizens.

Evelin Szarka

Find out the Danube! Some thoughts on the European Danube Region Strategy

"Unity, accordance, fraternity amongst Hungarian, Slav and Romanian –this is my most heated desire, most faithful advice." – proclaimed in1862 Lajos Kossuth (Governor of Hungary in 1848-49) in his Danube Alliance plan.

About the author

Evelin Szarka is a 26-year-old expert on international relations and Europe. Since she graduated getting the best marks she has worked as a journalist in Hungary, political analyst in Brussels, then did some research at the Institute of Minority Rights at European Academy of Bolzano. Her research field up till now is the state and identity of minorities, matters of immigration, the international position of Latin America focusing on the clashes of the EU-USA in this territory. Currently she is researcher of EFFAT being resident in Brussels working on a migration project.

The treasure of our region is the Danube. It is the second longest river of Europe after the Volga. Not only a waterway, a resource of development and a complex ecosystem, but also the connecting link to adjacent countries, regions and people.

Several organizations and groups have been formed for centuries, which advocated the integrating nature of Danube, the preservation of the common heritage, the exploitation of the collective opportunities, bearing in mind the values of the Danube. A precursor of the single European Danube Strategy can be considered within the framework of the European Union's Danube Group. The initiative of Peter Straub, President of the Committee of Bundesland Baden-Württemberg has created an interregional group called "Danube Basin" at the end of 2008 which involved regional and local representatives from the Danube Regions of Germany, Austria, Slovakia, Hungary, Romania and Bulgaria, as well as Croatian and Serbian guest members. Their aim was to highlight the role of the Danube both in the international arena and at European level. They recognized the importance of the interdependence among countries in the Danube region. Due to the impact of the growing awareness and commitment to the sustainable development of common values. the former states and Serbia accepted a declaration on 6 May 2009 in Ulm with the aim of drawing up a coherent European Danube Strategy that is to be constructed on the model of the Baltic Sea Strategy emphasizing the importance of territorial, economic and social cohesion. A month later the European Council entrusted the Commission to prepare a complex strategy for the Danube region, which is expected to be made public on 8 December 2010. Our country intends to finalize and accept it in 2011 during the Hungarian Presidency so the Danube region can appear in budget period starting in 2014 as an independent and common European area for cooperation and development, namely as a unique European macro-region.

The main goal, outlined by the result of selection, is to create a safe and value-based region of the Danube and its water catchment area and to strengthen its integrating role through rehabilitation and sustainable development. The strategic priorities are: enhancing security in the region – within and beyond the border. This means not only the elimination of the natural-environmental hazards, but the security of the energy- and food supply along with the social and economic stability. Sustainable economic development is aimed at the environmentally friendly reform of the transport systems in the Danube region and to improve the conditions of the landscapeconformal eco-tourism and the industry. The common identity and cooperation in the Danube region means a partnership in the field of the value and heritage protection, as well as culture and education. Horizontal strategic objectives are related to them (to complete the single market, innovation, research and development, the fight against climate change), from which not only the Member States, but the whole Europe and also the non-EU regions along the Danube needs to benefit. An essential element of the development to an axisrole is the human dimension through the question of the minorities and culture which is the matter of common interest of the Hungarians and all the surrounding nations, too.²

"We want a real blue Danube" - said Johannes Hahn, EU Commissioner responsible for regional policy. The natural riverbanks, the rich flora and fauna, the traditional land products and wine regions, gastronomy and nature conservation areas of the Hungarian Danube section are huge tourist attractions, but a number of factors impede the development of the cc. 412 km-long section. The proportion of the vulnerable bocage-forests in flood plain shrank from one-fifth of the natural vegetation to one percentage over the past centuries due to the impact of human activity. Therefore, the recovery of habitat of more than 2,000 plants and 5,000 animal species is a priority and the conservation of the freshwater reserves under the riverbed is vital. According to environmentalists the flood

¹ This would cover region of following 14 countries: Germany, Austria, Slovakia, Hungary, Romania, Bulgaria (EU-members), Croatia, Serbia, Moldova, Ukraine (non-EU states), Czech Republic, Slovenia (EU-members in Danube-basin, without direct connection to the river). Bosnia-Herzegovina and Montenegro (non-EU states in Danube-basin, without direct connection to the river).

³ Primarily regulation of river, lockdown of subsection, immunization of flood.

⁴ Dr Erzsébet Gergely: Európai Duna Régió Stratégia – kihívás és lehetőség a fenntartható fejlődésre. In: Dr. Cs. Anna Pavisa – Gábor Kulcsár: On the way to the European Danube

threat, the inadequate water management and other problems caused by the environmental load of polluted coastal areas can be remedied by a change in approach in sewage treatment and waste management, as well as by better education methods for environmental awareness.⁵ But the question is much more complex. Until the sufficient financial resources does not exist for environmental safety investments aimed at self-cleaning of the waterways and protection of the soil, for arresting the destruction of loess-walls endangering coastal communes, for redevelopment of economically underdeveloped areas, for development of local infrastructure improving the quality of life (development of airport links, building of cycle facilities), for implementation of measures helping and stimulating the activity of small and medium-sized businesses, the bottom-up initiatives fighting for noble purposes will be unsuccessful and die off without support. They will have great significance again as after the acceptance of the European Danube Region Strategy the Danube Basin will be able to apply for European funds as a macro-region. The implementation of the cross-border programs established for landscape and natural values protection, networking based on the proper flow of information and exchange of experiences, actions introduced for reducing the load on logistics centres, as well as investments and developments improving water quality and mitigating environmental risks obtain new financing opportunities through new channels. In particular, the Commission does not provide direct financial support to implement the strategy: which "is based on the existing EU resources and funds, on the more efficient usage of other existing resources and financial instruments", besides, it does not provide a specific institutional framework, neither a specific regulation for the EDRS ("three no" principle).

Over the past decades parallel to the progress of environmental awareness and the development of technology, the proliferation and differentiation of water management related principles has taken place, the sustainability-oriented approach combines the social, environmental and economic aspects. For the sake of ecosystembased water management, in order to monitor the activities

Strategy. Falu-Város-Régió Különszám: 2009/1., VÁTI Kht., Budapest, 2009, p. 36-39.

⁵ Sárdi Anna: *A Duna-menti turizmus hazai és nemzetközi dimenziói*. In: Dr. Cs. Anna Pavisa-Gábor Kulcsár, cited publication, p. 16-21.

influencing biodiversity, to assure applied research and to preserve aquaculture and improve navigability, we must reconsider the EU Water Framework Directive which came into force in 2000 to balance, harmonize and make a fusion of the former and present goals with the intention to have waters of "good physical and ecological" conditions. The EDRS must be consistent with the EU's Lisbon environmental objectives, but it also has to suit the climate and energy policy, the principles of environmental protection, the programs for environmental conservation and the national and international strategies.

In response to the new challenges, a growing number of specialized organizations appears, thus the co-operation of different actors earns greater emphasis. The Danube co-operation is not only a common European interest: the optimal and sustainable water management of the Danube Basin can only be achieved successfully if it is associated with the Danube Committee – established in 1948 by the Belgrade navigation agreement - , in accordance with the activities of the Board of International Danube-protection – having 15 members in present, established in 1998 – , in addition, collectively with the Council of Cities and Regions along the Danube founded in 2009 at the 4th European Danube Convention, in a joint effort with the transnational Datourway projects operated by EU co-funding and with the UN Development Program, the Danube Regional Project. The events of the Danube Day – celebrated on June 29 since 2004 – , embracing wider and wider areas, contribute to the social capital: governmental institutions, civil society organizations through the developing networks of businesses and individuals have an intensive community-forming, integrating force. Because of the added value by the Hungarian kayak-canoeing sport's successes and for the support for the athletes' successes, the Danube has to be treated as a base priority of water sports. For realizing this, the co-operation of the Danube countries is inevitable along with the continuous consultation and social dialogue. Therefore, common positions have to be found by the scientific societies, academies, experts and researchers, also by the civil initiatives established for the protection of the Danube River or the river used as a link for the establishment of those initiatives. Their test results, suggestions and most important elements of their opinions have to be integrated into the

holistic strategy because our common interest is to preserve the rich wildlife of the Danube turning it into a key area of the development of our region at the same time.

The aim of the sustainable mobility model is the protection of efficient mobility in the free movement of persons and goods at reasonable prices, while reducing the number of traffic accidents, noise and environmental pollution to a minimum level since the transport sector is responsible for the one-quarter of the Member States' greenhouse-gas emission. In the EU-27, the inland water transportation is about 3% of the freight sector. As the largest energy consumer the transportation sector uses about one-third of the produced energy and only 1% is the inland waterway navigation's share from that. Due to the poor environmental performance of the European transportation system and the lack of cross-rail links, the Community aims to increase the share of the inland waterway in overall transportation, as only 3-6% of the Danube's carrying capacity is exploited today. Although river routes do not cover everything, it may become an aid to the rail and road transportation by the development of modern logistic hubs. Goods still cannot be allocated by rail from the Adriatic to the Black Sea without touching Belgrade and Budapest, which in turn significantly increases the transportation costs, duration, and forces the region into a disadvantaged position. 6 Completing the existing trails in the TEN-T priority projects by the construction of Fiume (Rijeka) - Constanta Trans-Balkan track the transport network of Europe can be developed in the South - South Eastern direction. Travel time would shorten considerably by the construction of high-speed railway lines.

10% of the transportation of goods for foreign trade in Hungary is performed on the Danube – this data shows the significant role of the river navigation. To widen the scope of the activities of water crafts able to navigate on the Rhine-Main-Danube Canal, technological development, modernization and extension of the fleet is needed as well as building of logistic hubs capable of providing complex services. Currently only Győr-Gönyű, Budapest and Baja are

⁶ Dr. Tamás Balogh: *Úton Kelet és Nyugat között*. In: Dr. Cs. Anna Pavisa- Gábor Kulcsár, cited publication, p. 44-47.

equipped with infrastructure of that sort. The other main area of inland waterway navigation is passenger transport: the foreign, 300 thousand boats, excursion and hotel cruises carrying nearly two million tourists every year to the Hungarian section of the river stimulate tourism and bring significant commercial benefits. Hungarian forecasts prognosticate about 40 percent of employment and 20 percent of GDP growth thanks to the Danube. For the establishment of optimal conditions ship stations need to be modernized and their capacity must be increased, the access to coastal tourist attractions needs to be improved on "the main street of our region", which require additional funding.

In the re-invented Europe the repositioning of Budapest should happen. It could be not only an important intermediate station in trade and transport routes to the east, but as the "Queen of the Danube" it could become a cultural centre, a linkage between the similar ethnic groups with common historical roots and the symbol of the strengthening Danube identity. The modern and interdisciplinary research of the Danube River could take place at the Institute of Hydrobiology Research Center and the Danube Research Institute. These institutions are established by the initiative of the Hungarian Academy of Sciences thus Hungary also contributed significantly to the scientific dimension of the EDRS.

Different ideology, different targets: in order reach the compromises needed, the Hungarian presidency faces great challenges because of the different ideas of the Danube countries. Austria is clearly standing beside the development of economy, transport conditions and tourism. It considers this aspect obvious because of the high environmental standards. The Germans have similar goals and besides, they expect the strengthening of the regional identity, an emphasis on research and development and a higher level of administrative and judicial co-operation from the EDRS. The development of the Pan-European transport networks is amongst the main priorities in almost every state, which is completed with the

⁷ Prof. János Rechnitzer (ed.): The Danube in Hungarian regional development. Magyar

Tudományos Akadémia Regionális Kutatások Központja, Pécs, 2009, p. 19-21.

⁸ József Csorba: Duna-stratégia: növekedés - 40 % foglalkoztatás és 20 % GDP. Cognopol,

Stratégiai elemzések a Középrétegek Politikai Műhely számára

higher energy safety standards and the important role of chemical safety by Slovenia. Slovakia, despite the two-decade-long debate. considers the Danube as a symbol of people's cooperation along the river, what's more, it underlines the necessity of reconciliation. So Slovaks are seeking practical solutions for the expansion of crossborder opportunities or economic stimulation to promote the growth of living standards. This effort could be supported by the Hungarian side for example in the region of Komárom and Esztergom where new interlinking bridges should be built to bypass the downtown areas and to connect industrial areas. They are essential as neither Maria Valeria bridge, renovated in 2001, nor Elizabeth Bridge between Komárom and Révkomárom is wide and strong enough to lead the growing traffic. The extension of the plan may contribute to the reduction of the capital's transit traffic by the development of the motorway and rail networks through the Danube around the intersections of Dunaújváros. The Slovak side, however, promotes to build new power plants to solve the energy and waterway issues. The question is whether it will also manifest in environmental and tourist-friendly investments, and the opposing sides are willing to reach a compromise in the case of new dam constructions.9 At Nagymaros there is nearly eight meters of water level fluctuation. A constant level may be ensured by a dam which would allow the passage of loaded barges, that would be a solution to the water replacement of Szigetköz, produce electricity and the pollutants could also be controlled more easily. But not the river has to adapt to the vessels and a subservient position to the German cargo shipping fleet has to be avoided: there are a number of other alternative solutions for the question of navigability, in addition, sluices on the waterway has a negative impact on tourism¹⁰, so a detailed and accurate study of the aforementioned visions and plans and preliminary cost-benefit calculations are needed. The axis of the Croatian idea is the equal partnership, as well as to remove shipping difficulties, obstacles from the main Danube shipping corridor. The development of freight transport on the Danube and the Sava-Danube waterway construction ideas are, however, a topic of heated debates: the approximately EUR 600 million investment endangers one of Europe's largest moors, the Kopački Rit National Park. The

⁹ Prof. János Rechnitzer (ed.), cited publication, p. 1-18.

¹⁰ Tiyadar Árvay N.: Duna stratégia: Vízlépcsők a láthatáron? In: Világgazdaság. 02, 28, 2010.

Serbian Danube issue has to be solved in accordance with the Serbian Tourism Development Strategy along with the national environment principles for the safety of navigation, the revival of the waterway network, the modernization of the fleet, in addition, new intermodal centers are also expected from the EDRS. Ukraine, besides the protection of the environment, supports the development of multimodal transport systems. Hungary attaches particular importance to Serbia, Moldova and Ukraine to have an active role in the implementation of the Strategy, and benefit from the development funds allocated to the Macro Danube Region. Bulgaria keeps the river ports and transport infrastructure developments in mind, but one of its priorities is to reverse the negative demographic processes in the riverside communities, to minimize social differences, to protect the Danube Region cultural heritage, to increase efficiency of cross-border cooperation, particularly the environmental co-operation with Romania. The latter country also overcomes the difficulties inherent in the population decline, pollution reduction and hopes to increase its competitiveness by the European Danube Strategy. Two cooperation agreements with Bulgaria and Hungary have been implemented as signs of the ongoing commitment to maintain and develop settlements along the Danube and to promote sustainable development. The logistical aspect determining the competitiveness of Hungary greatly presses toward a positive social impact, a result-oriented political and economic cooperation, food security and job-creating investments. environmental issue-based and integrated development approach - the interoperability of the border regions in particular - is needed regarding the design of the road-rail-waterway transport network to create the so-called "seamless Europe".

Until today there has not been a comprehensive single European development strategy or a complex action plan for the Danube valley as a whole which could be improve the quality of life and reduce the regional differences on 448 thousand km² for almost 51 million inhabitants from the source of the river to its estuary. This vacuum could be dissolved by the European Danube Strategy. The EDRS would provide a framework for the Member States which was not previously available to the actors. The strategy would make proposals on the Danube-Basin area and ensure appropriate solutions to solve

problems in an integrated transnational approach, besides, it would create favorable conditions for the successful cooperation with non-EU states while increasing their potential. The EDRS would coordinate; synthesize various initiatives and activities to enhance their competitiveness. For its effectiveness and sustainability a complex comparative analysis of the available alternatives is needed in order to choose and select the best solutions.

The development of the strategy shows specific dynamics: fragmented but integrated at the same time. It is based on various aspects and different political interests regarding to the actual political cycle. Scientific and technical investigations, analysis and experiences contribute to justify the development of the Danube region, but successful international collaboration and cooperation of horizontal and vertical partners can be achieved only with a single strategy based on a holistic approach. The task of the presidency next year, in addition to the exploration of the trade-offs, to give a "Hungarian flavour" to the document.

Gabriella Fukker

Suggestions regarding the practical renewal of cohesion policy after 2013

About the author

Gabriella Fukker is a Ph.D. a student at "International Relations" Multidisciplinary Ph. D. Program of Corvinus University of Budapest. The main field of her research is the Cohesion Policy of the EU. As a Head of Department of the Hungarian Ministry of Informatics and Communication participated in the programming of the National Development Plan (2004-2006 and 2007-2013). She is interested also in strategic management and public policy-making.

Strategic questions in connection with the future of cohesion policy as well as the specific issues of the Structural Funds and the Cohesion Fund are increasingly present in the political agenda of the European Union. The promotion of the debate among the member countries about cohesion policy following 2013 will be one of the high priorities of the Hungarian presidency.

As far as the future of cohesion policy is concerned, the Hungarian approach and the list of Hungarian priorities is quite clear even as of today and is also in accordance with those of Commissioner Johannes Hahn in all significant points. The most important from these is the sustenance of the present day cohesive political framework¹ or the preservation of the funds used at present for example. In addition, Hungary also supports the idea that cohesion policy, without a separate EU council at present, should become institutionalized within the framework of the General Affairs Council as a regular topic thus providing the issue a more appropriate place and emphasis. Among the forementioned priorities is the improvement of the regulation environment, the modernization of the public procurement system as well as the strengthening of the result-oriented use of resources as well as the follow up process.

The preparation, coordination and elaboration of framework strategies, guidelines and legislation defining the 2014-2020 financial perspective and cohesion policy is, apart from the complicated political deals, a meticulous and highly complex professional challenge for the experts of the field. Hereunder it is my intention to formulate practical approach based suggestions for issues arising in the borderline areas of economic policy, development policy and cohesion policy. These recommendations mostly concern the issues of planning and implementation and may possibly contribute to the efficiency of cohesion policy.

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¹ The proportion of redevelopment expenses is 35% of the Community budget within the current EU financial framework

The 2014-2020 framework of Cohesion Policy must be planned in a completely new environment. In 2000 and in 2007 the USA seemed to be the strongest economy in the world, climate change, unlike today, was not a top priority and financial markets were factors of growth. These, however, have changed, and thus cannot be considered as points of departure for the following decades. It is a fact that financial markets have become a risk factor which endangers growth and also means that these markets are in need of substantial governmental support.

One of the defining elements of today's international economic environment is the crisis perceptible in various subsystems of the world economy, accompanied by the decline of the institutional and conceptual elements of socio-economic governance on a national economy level as well. The drifting of the states generated structural crisis in itself and was also an accompaniment, since the state itself has become weak and helpless. It is the responsibility of economic policy makers to respond to the challenges not only afterwards and as a means of "fire-fighting intervention" in the future, but prepare mid- and long-term institutional and regulatory acts which would bring about the improvement of economic performance. With regards to achievement on the Union level, one of the key elements is the extent to which cohesion policy is integrated into the "remaining" parts of economic policy.

The conceptual bases of cohesion policy are rather vague. Numerous conceptions have been created concerning its renewal, reforms, aims and priorities. Suggestions aimed at the restructuring of the system also implicitly or explicitly aim at the reduction of transfers. Contradictory proposals can lead to solutions with a compromise, which do not reflect the shared views and, as a result, might result in inconsistent aims and means as well as regulations.

The question is whether it is possible to provide principles and recommendations which can be interpreted despite the developmental, institutional, etc. differences between the 27+ member states of the European Union, and which are an effective means of increasing the dynamism of the economy of the European Union. Collective thinking has begun and the context of the debates

is confined by development policy actions — meaning the total of economic development measures taken by the state — as well as the experiences and achievements of cohesion policy for the 27+ member states

Development policy

Generally the interpretation of development policy is based on the constitution and the constitutional framework contracts of the international institutions. That is precisely why it is arbitrarily expandable, since the effective achievement of constitutional goals, the establishment of healthier living circumstances, the higher degree of environmental protection and the increase of well-being can all be endlessly improved.

What exactly the state or other institutions need to improve, however, cannot be neutrally defined, which is the reason why the assignment of a normative system of goals becomes necessary. Determining the direction of development - based on democratic decisions in the developed nation states - is therefore required at the macro level. The responsibility of the state is only clear in case of the improvement of public goods (in the economic sense) and the level of services belonging to the area of public goods due to regulations of law. Furthermore, the areas of improvement on behalf of the state are based on political decisions limited by the constitutional state and the constitution. These limitations mainly consist of the protection of the European competition (based on the principle of limiting state support) and the constitutional protection of the market economy.

The practical limits of development policy actions are set by the economic regulatory measures of the state. The goals of state developments must appear in legislation and legal norms are to be applied in the spending on developments. Since the evaluation only becomes possible in the follow-up phase, the legislation concerning the developments must lay out clear objectives and allocate appropriate means.

Community programming

Development resources are handled by the European Union in programming periods in order to concentrate the resources on achieving appropriate strategic goals. This is in accordance with the principle of programming which states that development resources must be spent not according to prevailing current theories, but the development needs determined by the analyses, thus ensuring coherent and consistent community/member state responsibility. This solution does not exclude political decisions, but since these must be made well in advance, programming enhances the long-term approach as well as the validity of political decision-making. This type of well-establishment must be reinforced in the 2014-2020 programming period as well.

In comparison with the 2000-2006 period, it is a significant difference that the National Improvement Plan has ceased to exist as a central document, and since 2007 we speak of National Strategic Reference Framework (NSRF) which does not have an institutional structure as of yet, and is merely a strategic ground document. Therefore NSRF has only provided strategic viewpoints and served as a benchmark in the planning of operative programs. Accordingly, only the content and the implementation of operative programs have an effect on significant interventions.

Ongoing operative programs also enhance the strategic approach and therefore are far less specific in content. Single interventions contain only regional or sectoral objectives. These programs, however, possess their own institutional system which uses the resources as a means of achieving its goals and is able to select interventions affected by not preliminary conceptions but relevant problems and possibilities. Institutional solutions may differ and compete in different programs, just like intervention schemes. Consequently, the whole system of development policy can be considered far more flexible and individual operative programs may be adapted much better to the needs of the given sector or region.

The rigid, almost fully prearranged structures have been taken over by a somewhat more experimental system that encourages innovative solutions and brushes uniformity aside. As a matter of fact, these changes have come as a response to the earlier shift in corporate strategic management, which was based on the recognition that strategic environment and challenges are due to constant change and it is impossible to find an appropriate solution beforehand, rather constant adjustments are necessary. With somewhat of a generalization the same might be said about the requirements set for the developments at the community and member state level.

The objectives and frameworks of the new cohesion policy as well as the preparation and implementation of programs requires the predominance of various new professional aspects, the main aim of which must be the further development of the efficiency and expedience of the programs, preserving their absorption capacity, naturally. This will not only improve the cost accountability of the programs but their efficient implementation will be easier to communicate for the community and the member states.

The renewal of cohesion policy

Observing the utilization and efficiency of development resources spent within the framework of cohesion policy, it is obvious that the implementation of cohesion policy cannot be considered a definite success story. At least the cohesion policy of recent years has wavered. This warns us that no type of (economic) policy can be void of regular control, supervision and integrated correctional mechanisms.

It is during the past few years that economic-social-political conditions, by means of which states can have an effect on economic (social) processes, have undergone a fundamental transformation. The means by which economic and cohesion policies are capable of operating effectively have significantly altered as well. In order to further develop cohesion policy it is essential that a faster way of intervention be developed, the financial governance system be further restricted and the individual member states should follow a

coordinated development policy. Renewal (due to the diversity of the member states – regions) requires a comprehensive renewal. Accordingly, a new mentality and a revival of values is indispensable.

It is a commonplace that as a result of globalization the scope and instruments of national economic policies have transformed. The economic-social paradigm shift in the European Union is quite confusing since the institutional system, and the handling of economic policy on the member state and Union level collectively often leads to "confused identities". Underlying this process are adaptation problems: the slow deepening of integration reduces the scope of activity, which basically means that the structural adjustment of the economy is rather slow. The adjustment of the Union and member state economic policy to the new conditions in the world economy has not taken place yet. The set of objectives and means in economic policy is undergoing transformation, but the reaction ability is still according to the "traditional" cycle. Although the priorities have become more definite in certain (special) areas. there is still no appropriate means to attain the objectives and no comprehensive institutional system in management, planning and implementation with the help of which it would be possible to respond to global and regional challenges.

The dimensions of renewal

1. Coordinated strategic planning and the development of management skills, abilities

The challenge is whether the 27+ member states of the European Union can receive recommendations which can be interpreted despite the differences in development, institutions, etc. and by means of which the economy of the European Union would be boosted. It is a basic requirement that the planning and methodological regulations, including the application of up-to-date budgetary procedures must be made more efficient.

The planning and coordination mechanism of the Lisbon Strategy (LS) has become a fundamental element of the comprehensive

operational mechanism of the European Union. Despite the fact that the LS has not achieved its objectives, during its 10 years of operation it has become an integral part of economic and political coordination as part of a joint learning process, thus enabling the coordination of various public policies and the launching of synergies. The so-called open coordination mechanism made it possible to coordinate the objectives of the Union and the member states. At half period the implementation was attached to economic coordination and supervision², the stability and convergence programs and cohesion policy. There is overlap and interdependency among these programs concerning scope of time as well as content.

The Europe 2020 strategy has been ratified. In the implementation process it is advisable to carry on the pragmatic and flexible framework of the LS, eliminating the weaknesses due to earlier fragmented planning activity. During the entire planning and decision process great attention must be paid that the programs at the community and member state level

avoid the overflow of objectives and priorities characteristic of earlier periods

not be contradictory in the objectives set (growth is basically an economic and employment is a social objective)

coordinate short and long term objectives as well as instruments assisting their implementation

establish a more coherent, closed system, strengthening synchronicity, with three main areas of emphasis: the Europe 2020 strategy, the Gothenburg Sustainable Development Strategy and the Hague and Stockholm Program³

In order to achieve these a balance must be established between the concept of competitiveness and cohesion in the trivial sense, in

² See Integrated Community Guidelines

³ The program deals with organized crime and illegal migration

economic policy and the field of economics as well. Competence issues between the Union and the member states must be resolved (in connection with shared strategic objectives it is mainly in the area of member state competency that tasks occur and thus should be handled at member state level) and apply penalties if necessary.

2. Coordinated time scope of programs and finance

The elimination of the asymmetrical time period is a fundamental challenge on the Union and national economy level.

The general budget of the European Union is planned for a 7 year period. In contrast, member state budgets are prepared with a short-term approach for a 1 year period, without an expenditure limit for the next few years. To some extent the convergence program supports professional validity in the main points but development policy, unfortunately, is not included in the planning process.

The mid-term approach of state budgets becomes clear in the elaboration process of the cohesion programs. However, it is lacking the financial links that could ensure the effective operation of developmental policy on a short term basis. The long term foundation of short and mid-term programs can only be considered incidental, as there is no available information system or institutional structure.

3. Coordinated financial and real economy processes

In the present day system the role of financial processes is so significant that it almost suppresses real economy processes. It was noticeable at the ratification of the 2014-2020 financial perspective that ambitious objectives were practically eradicated by political bargains. At the preparatory meetings on the 2014-2020 financial perspective this phenomenon is expected to occur even more intensely due to the present day crisis and fiscal retrenchment.

It is essential to understand that development programs prepared within the framework of cohesion policy are rather selective in nature

since they do not feature a macroeconomic path, or fiscal and monetary correlations, and only include those parts of the expenditures in connection with laying the foundation of economy development that the Union part-finances. Concerning the coordination of economic policy and the implementation of development policy objectives it is a serious deficiency that the programs do not have an annual evaluation. Without adequate information and schemes, flexible intervention is not ensured in case of need. Part-financed and national programs practically run independently from each other.

It is not a single standardized structural reform scheme that the implementation of Union programs requires. Evaluation experts have proven the complementary nature and the synergy of market reforms and at the same time have revealed the macroeconomic changes in sectoral policies. However, it poses a difficulty for macroeconomic impact assessment that sectoral (micro)reforms differ from country to country. Interaction between certain reform areas cannot be measured as of yet, partly because some programs have not been completed yet and only their mid-or long-term impact could be assessed.

Impact and performance indicators should be more intensely applied in order to establish the reconciliation of financial and real processes.

Final thoughts – a summary

The formulation of concentrated and genuinely common objectives is necessary

Due to the willingness for integration shown by the member states and to the structural differences and asymmetry in various economic policies, huge differences impede measures directed towards the same direction. Different political and economic preferences make it difficult to establish an <u>exit</u> strategy at the Union level. An logical and comprehensive long term approach is necessary for effective measures. Objectives need to be much more concentrated and leave the "menu" type of approach behind. The elevated euphoria so

frequently experienced at the Union level must also be abandoned and instead, realistic objectives should be set, making certain that the instruments required are available. Synergies must be deliberately exploited, avoiding the occurrence of "functional" islands/fragments.

Reform synergy must be ensured in framework strategies and guidelines

The comprehensive and coordinated application of structural reforms may lead to mutually reinforcing effects. The implementation of structural reform cannot mean the application of one single standardized reform scheme. Flexibility must be retained here as well. The principle to follow is coordination and concentration. A reliable and consistent system must be set up for the formulation, assessment and monitoring of strategy/ies. Henceforth it is advisable to enhance the efficiency and expediency of the programs.

Ensuring the more efficient means of result assessment

Although strategies and programs are undergoing constant change (external and internal environment), means of their assessment cannot keep up with these changes. Indicators used in the present day system mainly show the results of actions taken in the past and are able to compare these on a member state level, BUT do not communicate future performance. Focusing on these static indicators supports the short term approach, thus sacrificing long term establishment of values.

Ensuring the ability of strategic management

The road to continue following is one leading to an efficient, flexible and innovative institutional system which has the ability for quick communication. High quality and responsive operational processes must be established – this requires a new management structure which is mainly capable of strategic and not tactical control. The

Gabriella Fukker Suggestions regarding the practical renewal of cohesion policy after 2013

dynamic assessment of achievements might serve as a basis for navigation.

Bendarjevskiy Anton - Márton Ugrósdy

Dare to lead: the Eastern Partnership and the Hungarian EU presidency

About the authors

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The Eastern Partnership (EaP) – a two year old initiative of the European Neighbourhood Policy (ENP) – will be one of the Hungarian EU presidency's priorities in early 2011. While Hungarian decision-makers unanimously support the new network it is still uncertain, whether Budapest can achieve success in the cooperation, which involves six post-Soviet states on the western borders of Russia. Internal divisions within the EU can also jeopardize the program, as many member states are interested in preserving the status quo. Hungary needs to find a way forward among many spoken and unspoken conflicts of interest during the six-month presidency, bearing in mind that with the further development of the Eastern Partnership Viktor Orbán's government can easily cross the tracks of several of its very important partners, most significantly Germany and Russia.

A new tool to engage our European neighbours

The Eastern Partnership – a dimension of the ENP – was created on a joint Polish-Swedish initiative in summer 2008, partly in response to the Mediterranean Union set up by the French presidency at that time. As Polish Foreign Minister Radoslaw Sikorski said in the debate of the proposal (and as the leaders of the Polish foreign policy community have been fond of saying ever since): "to the south, we have neighbours of Europe. To the east, we have European neighbours (...) they all have the right one day to apply [for EU membership]," thus making clear the final outcome of the Eastern Partnership. According to Mr. Sikorski's concept, the new program ultimately sets a specific path for the partner countries, a viable way forward until the EU recovers from its current enlargement fatigue. This alternative can lead to the EU membership of the six participating countries (Belarus, Ukraine, Moldova, Georgia, Azerbaijan and Armenia).

The proposal was presented at the European Council meeting in June 2008 by Swedish Foreign Minister Carl Bildt and Mr. Sikorski, and the detailed plan was put on the desk of Council of the European

Union five months later. After the Russian-Georgian war of August 2008, the Council called upon the European Commission to urgently deal with the case, thus the EC presented his own ideas in December 2008. The cooperation reached its ultimate form at the Eastern Partnership Summit in Prague on May 7, 2009 where the new initiative of EU was officially launched.

The Partnership is essentially a political, not a legal instrument in the hands of the EU and in the Commission's point of view it is the integral part of the ENP. The program rests on two pillars: the bilateral and the multilateral framework, where the latter clearly represents the main novelty. In the bilateral context, the EU offers a number of incentives for the eastern neighbours, the most important of these are the deepening political relationships, expansion of economic relations, and the free movement of persons. The multilateral context is dominated by the biannual summits of heads of state, the annual Foreign Ministers' Meeting, and more frequent conferences of the selected panels of experts. However for the time being the multilateral framework limits itself only to the high-level meetings, so there is a significant room for development in this field for the Partnership.

Despite the fact that the Commission and the Council defined ambitious goals in the original plans of the Partnership, the program's financial framework has encountered serious problems. The big contributors of the EU, hit by economic crisis did not support a major redistribution of funds when the Partnership was launched, so for the period of 2009-2013 600 million Euros were allocated for the program (this amount is further divided among the six countries, also, this amount is less than one-fifth of the EU assistance for Turkey), which is obviously not enough to support all dimensions of the cooperation. According to the Commission external donors should also participate in the fundraising: in particular Mr. Barroso expects the contribution of the European Investment Bank and of the European Bank for Reconstruction and Development.

The Eastern Partnership – which was undoubtedly launched with a noble idea – was widely debated after the initial months as neither the EU member states, nor the partners were really satisfied with the

initiative. The six partner countries were interested in the EU's plans; however, they viewed the new project with suspicion. The mistrust – coupled with a lack of understanding on the partners' side – derives from traditional roots: each of the six states belong to the post-Soviet region, and ever since the collapse of the Soviet Union, the majority of analysts and politicians always treated them as part of Russia's special sphere of influence. Furthermore, their political structure and culture bears the stamps of the Soviet times unto this day. It is not even surprising that after the announcement of the program, the big eastern neighbour, Russia became very concerned with the EU initiative, and classified it as an intrusion attempt into its special zone of interests, the "near abroad". Moscow considers the Eastern Partnership as a tool of the European Union to extend Brussels' sphere of influence along the eastern borders.

Conceptual problems

After the launch of the EaP partner countries immediately realized the lack of feasible plans behind the EU's promises. The first and most important problem is clearly the under-funding of the Eastern Partnership. The 600 million Euros defined in the budget may not be enough for implementing the democratic standards, and at the same time developing the economy. If we consider the amount of support for each country, we will see: the European Union provides 2.74 Euros to each Belarusian man, woman and child: 3.35 Euros for each Ukrainian and an Azerbaijani citizen gets 4.82 Euros. 13.66 Euros are given to each Armenian and 25.36 Euros to each Moldovan person. This cannot be compared to the support given to the Central European countries in the '90s, before they have joined the EU. We shall not forget though, that the Eastern Partnership was launched in the worst months of the 'Great Recession', however, to preserve the attractiveness of the program, expansion of the funds would be more than desirable.

The other promise – the liberalization of the visa-regime – has a similar credibility problem. Almost 76 million people live in the six partner countries; Ukraine alone has 46 million citizens. Currently, most of the founding EU members are concerned that a massive wave of migration could start from Eastern Europe to the prosperous

regions of the continent (as it happened after the 2004 and 2007 enlargement rounds). Ukraine – like Russia – is engaged in bilateral negotiations with the European Union about visa liberalization, but no significant results have been achieved yet.

Due to the problems related to the two most important promises of the Eastern Partnership, the program seems to be some kind of distraction for the participating states. The six post-Soviet states were informed that the EU has not forgotten them, but the prospect of membership was completely removed from the agenda. More and more politicians and analysts perceive the program as a strategic manoeuvre of Brussels. They think that while the EaP contains only a limited amount of concrete action, the EU tries to attract these states to offset the growing Russian influence in the region.

Another source of discontent is the high number of conflicts among the partner countries themselves. The issue of Nagorno-Karabakh between Armenia and Azerbaijan is still unresolved, the situation in Transnistria poisons Moldovan-Ukrainian relations, and there is also a disputed \$150-million debt between Kiev and Minsk, dating back to Soviet times. Partner countries also have several issues with EU member states, as Romania and Moldova clash on the dual citizenship, and the possible unification of the two countries (advocated by many high-ranking politicians in Bucharest), as well as the Belarusian government's discriminative steps to curtail the rights of the Polish minority living under Minsk's authoritarian rule.

Besides the frozen conflicts, the Eastern Partnership is not consistent with other EU-sponsored projects, such as the Northern Dimension which has been up and running since 1997, and the Black Sea Synergy which was created in 2007 and already involves five of the six EaP countries (except Belarus).

The fights within the EU

Although according the Commission and all EU member states the Eastern Partnership has significant added value in the field of the joint neighbourhood policy, the new initiative did not get unconditional support from the EU circles. There are several reasons for this: among others the uncoordinated foreign policy of EU and the often significantly different interests of the various member states are hindering the full implementation of the Partnership. The reservations are not obvious as the Commission and the Council promised support for the Polish-Swedish proposal, but the small details tell the truth about the difficulties. Under-funding of the Partnership and the lack of joint political will convey the rather negative message for the six participating countries: the Union is unable or unwilling to pledge its full support for the post-Soviet states.

The lack of political will can be observed in the case of Germany. Among the three dominant members of the Union, Berlin has the most extensive network of eastern relations, and its special partnership with Moscow initially determines the political and economic processes at the EU's eastern borders. In the case of Germany, a special duality can be observed in its approach towards the partnership: while the economic dimension of the EaP gets Berlin's full support (keeping in mind the market acquisition opportunities for German companies), the German diplomats are extremely cautious about the political cooperation. Their reservations are understandable: the German political elite might endure the biggest misery from the enlargement fatigue as Germany contributes the most resources for the new member states of the EU.

While one of the most important innovations of the Eastern Partnership is putting political contacts on a new level and in the long term flashing the perspective of the EU membership, the German leadership refrains from these ambitious goals. The most desirable solution for Berlin is the preservation of the status quo; Angela Merkel's government sees the perspectives of the Partnership especially in the development of economic relations. The cause of this is deeply rooted in the German *Ostpolitik* and in the German-Russian relations. The activist perception of the Eastern Partnership simply does not fit into Berlin's 'joint neighbourhood' foreign policy concept which says: in the post-Soviet space Russia is the equal partner of the EU. In addition, Ukraine's possible EU membership and the free movement of its 46 million citizens would mean a

serious challenge for the already stressful German society. Consequently it is not conceivable that Chancellor Merkel's government would like to grant visa-exemption to the partner countries, which would be one of the most important and tangible result of the new program, also for the ordinary people. In addition, Berlin does not want to alienate the Kremlin, as Dmitry Medvedev basically considers the Eastern Partnership as a hostile move, which clearly questions the exclusive Russian influence in the "near abroad".

Within the EU, not only the German support is missing for the resounding success of the Eastern Partnership. Great Britain is generally disinterested in the eastern dimension, and France has a rival initiative, the Union for the Mediterranean (UfM). The indifference of the southern and western member states and their non-supportive approach was also very striking on the 2009 Prague Summit, where neither Gordon Brown, nor Nicolas Sarkozy, nor José Luis Rodriguez Zapatero was present. Divisions within the EU were clearly indicated in the debate of the summit's declaration: several countries, including Germany, France, Italy, Belgium and Portugal demanded significant changes in the final text, primarily questioning the European identity of the Eastern partners.

Obtaining the support of the French government for the Eastern Partnership will be difficult, because President Sarkozy would like to focus primarily on his own UfM when it comes to the next budgetary negotiations of the ENP. Although at first glance the Eastern Partnership and the UfM look like rivals in the contest for ENP funds, but with an acceptable bargain and mutual support of each other's ideas both projects could get a greater slice from the ENP budget. With this initiative the political support of Paris could be obtained, which would be a momentous result in the light of the most recent German-French-Russian rapprochement

Besides the lack of support from some member states, there are contradictions at Commission's level as well, which continue to hinder the success of the Eastern Partnership. Although the communication of the EU emphasizes common values and respect for the specific interests of the six partners in each case, Brussels

practically wants to impose its own terms on the eastern neighbours. The development of free trade zones, the political and economic reforms reflect the objectives exclusively that of the EU; the experiences and specific needs of the 'partners' were not taken into consideration by the Commission so far. The Union tries to impose its own solutions and laws on the partner countries, even though they are obviously not prepared for that.

The Eastern Partnership also has to struggle with the institutional reform of the EU, which can be a greater challenge than the persuasion of the German chancellor. More EU institutions are dealing with the partnership: in addition to the president-in-office (in which country the multilateral meetings are), the president of the Council and the European External Action Service (EEAS) has to be considered as well. Since the Union's internal structure after the Treaty of Lisbon has not been firmly established yet, therefore a significant power-struggle is expected during the six-month Hungarian presidency, which can influence the Eastern Partnership as well. However, it must be noted: the EaP is primarily an implementation task and the responsible for that will be the EEAS and the local delegations of the president-in-office.

It is not a good omen for the partnership that the EEAS was not designed as a powerful organization by its creators. This is indicated by the appointment of Baroness Ashton and the plethora of assignments and expectations which rained down on the new institution already in its first year. According to the critics the EEAS should have actively participated in world politics and the ENP, even though its own internal organizational structure was not even defined. The primary task of the EEAS will be coordination: to use the right tools at the right place at the right time, but a weak institution probably will not be able to meet these expectations.

The Partners' point of view

In the next part we will examine the position of Ukraine and Belarus regarding the Eastern Partnership, and Russian reactions will be overviewed as well. Even though Georgia, Armenia and Azerbaijan are significant players in the field of energy security, their relative geographical distance and cultural differences do not offer such prospect for close cooperation as in the case of Kiev and Minsk.

Among the six participating countries Ukraine might be the most important partner of the European Union, but paradoxically Viktor Yanukovych's government is the least convinced about the benefits of the partnership. Kiev has taken significant steps in the integration process within the bilateral framework, and Ukraine with its 46 million inhabitants is an especially important market for the EU. Other objective factors, such as energy security makes cooperation with Ukraine unavoidable too. The biggest problem for Kiev is that the Eastern Partnership does not offer more than the previous bilateral negotiations.

In fact, the Eastern Partnership offers Ukraine several advantages, however the whole EU initiative is too malleable, and the specific, tangible projects are also missing, making the direct benefits of the program unclear. The prospect of the EU membership might be a persuasive incentive for the Ukrainian government, however because of reasons discussed elsewhere this is absolutely off the table. During the negotiations of the Partnership Ukraine lively hoped to move along the way of EU-integration, but this was responded to with a rather calm reaction from the side of Brussels.

Internal political developments within Ukraine also cast a shadow over the success of the Partnership. When the EaP Summit in Prague took place, the pro-Western Viktor Yushchenko was the president of Ukraine, but the current leader, Viktor Yanukovych takes a more cautious approach regarding EU-integration. The new president is eager to orient the country towards Russia — while he does not neglect the EU either — but the Ukrainian government will surely not jeopardize its revitalized Russian ties for the precarious advantages offered by the Eastern Partnership, especially as Moscow perceives the EaP as a challenge to its own influence.

When the Eastern Partnership was initiated, several European politicians along with the members of the Belarusian opposition questioned the way an autocratic state could get a place at the table. They argued that the last dictatorship of Europe – this is how Alexander Lukashenko's regime is often referred to –, which openly curtails human rights and civil liberties, and openly advocates death penalty should not be invited to the new partnership. Many analysts underscored: Belarus was invited only out of the fear of Russian influence, and negotiations with Mr. Lukashenko pursue a particular strategy. However, no matter what these pundits say, Belarus is located in the middle of Eastern Europe therefore its exclusion would be pointless. Also, back in 2009 Mr. Lukasenko did not look that bad standing next to Ilham Aliyev of Azerbaijan, and Vladimir Voronin of Moldova.

The Partnership was extremely important for Alexander Lukashenko. because this way he could break out of the 'diplomatic quarantine' previously imposed on him by the EU. In spring 2009, it seemed that Brussels finally gave up its isolation policy against Minsk and a new dialogue could begin between the two parties. Belarus looked forward to the Partnership and the official sources said more than twenty different project drafts were sent to Brussels. These were related to energy, trade and transit, but the initiatives were not welcomed and because of the refusal Mr. Lukashenko could indignantly say that the Eastern Partnership is at a crisis because of the erupted 'Great Recession'. As the Belarusian president said – and there is some truth in it: 'Europe has many problems with the 27 countries and now there is no need for either Belarus or Ukraine, or others'. Mr. Lukashenko often repeated referring to the rejection that it was not Belarus who wanted to get involved in the Eastern Partnership; but the European Union forced the country to participate. And indeed, if Belarus was not in the project, we would only get a new 'GUAM' on a level of regional cooperation, which organization was established in 1999 with the membership of Georgia, Ukraine, Azerbaijan and Moldova.

Due to the dramatically deteriorated relationship with Russia, the road to Moscow seems to be very bumpy for Belarus as long as Mr. Lukashenko remains the president, but the EU offered cooperation with Belarus just in time. Now Minsk seems to get some leeway due to the European Union, and if the EU does not put too much pressure on Mr. Lukashenko after the elections, the authoritarian leader can

orient himself toward Europe. It is sure another question, whether Brussels will forgive the violations of traditional European values for the sake of some strategic advantage. If the EU wants some concessions and changes from Belarus, it has to happen now, because Mr. Lukashenko needs Brussels at this time more than ever before.

The success of the Eastern Partnership – no matter what the EU leaders say – largely depends on the attitude and goodwill of Russia. As long as Moscow regards the Eastern Partnership as a threat and an intervention into its own special sphere of influence, the EaP cannot expand to the level desired by its creators. Russia clearly has a dominant role in shaping the politics of the six partner countries, and as long as the Kremlin looks disapprovingly on the program, the partners will act with extreme caution and will try to avoid the unnecessary risk of overshadowing their relationship with Moscow.

The Eastern Partnership was particularly ill-received in Russia. As the six partner countries are post-Soviet countries, which (with one exception) all have close or cordial relations with Moscow, any kind of interference with this special connection will be assessed by the Russian side almost like an open threat. The Russian press often presents the EaP as an an attempt of the European Union to place a 'cordon sanitaire' around Russia along the borders. Strangely, despite all the negative reviews, the majority of Russian analysts have no clear position about the Eastern Partnership and its influence on Russia. Most of them are very negative or sceptical about the project, and in general they are puzzled by the EU goals. Russian President Dmitry Medvedev also spoke about the Eastern Partnership in 2009, saying: "I don't see anything extraordinary in the Eastern Partnership. I don't find any usefulness either," thereby dismissing the EU's initiative.

Russia has undeniable strategic interests in the region: it is enough to mention the Russian Black Sea Fleet stationed in the Ukrainian port of Sevastopol, the vast Russian investments in the six countries, the Russian-Kazakh-Belarusian customs union, or even the Russian-Belarusian and Russian-Armenian military cooperation. Moreover, Russian analysts do not really understand why the partner countries

are looking for a closer relationship with the EU, if no serious economic help, no visa exemption and not even the EU membership are offered as an incentive. The timing of the Eastern Partnership – after the Ukrainian 'gas wars' and the Georgian military conflict – may also indicate that the European Union seriously thought about setting up a special zone of influence to prevent similar problems in the future. But that is not all: there is a view with a strong presence in the Russian media that the EU primarily tries to secure its own energy interests with the Eastern Partnership, among others with the construction of the Nabucco natural gas pipeline. Georgia and Ukraine are the EU's two most important transit countries, the energy security of the EU would be better off if the two partners would join any kind of association with the Union, and become obliged by the common rules set by Brussels.

Due to the aforementioned criticisms, the European Union should seriously address the Russian concerns, and should definitely clarify any misunderstandings. At this time there is a great opportunity to start the dialogue: Ukraine's new government is approaching the Russians; and after the tragic death of Polish President Lech Kaczynski the Warsaw-Moscow cooperation received a new impetus as well. Moreover, the European Union and Russia is practically is in the same camp on the issue of Belarus. In the midst of these changing relationships the position of Georgian President Miheil Saakashvili may seem odd; however he was practically left alone with his anti-Russian policies.

The Hungarian interest

It is the eminent interest of Hungary to further enhance the Eastern Partnership, as well as the security, the political and economic stability of the eastern countries. Therefore the Hungarian government should pay special attention to the Partnership, which can bring direct and indirect benefits to the country. The Hungarian government has recognized the importance of the new initiative, actively participated in the establishment of the program, and has been paying particular attention to promote relations between the post-Soviet countries and the EU. One of the most significant contributions of Hungary was the Eastern Partnership–V4 meeting

in March 2010, held in Budapest. The talks brought together the Ministers of Foreign Affairs of the six partners and the Visegrad Four (V4) countries, EU Commissioner for Enlargement and European Neighbourhood Policy Stefan Füle, as well as the representative of the Spanish and the Belgian government, the Minister of Foreign Affairs of the three Baltic States and Swedish Foreign Minister Carl Bildt.

Due to its geographical location, Hungary is primarily interested in cooperating with the western partner countries. In the case of Ukraine the situation of the ethnic Hungarians living in the Kárpátalia (Zakkarpatya) region and energy security are the most decisive factors. Budapest has already taken steps to help fellow Hungarians in many ways, and Ukrainian President Viktor Yanukovych also made concessions with the withdrawal of several detrimental measures of the former nationalist-leaning government, most importantly in the sphere of education. The Eastern Partnership gives two tools for Hungarian Prime Minister Viktor Orbán's government to improve the situation of the Hungarian minorities: the free movement of persons and visa liberalization in the longer term; and the development of the cross-border cooperation in the short run. Regarding energy security, the aim of Hungary is rather to build trust between the EU and Ukraine and to strengthen economic relations, as Budapest does not have a chance to alter the one-sided dependence on Ukrainian oil and natural gas transit until the construction of the Nabucco and/or the South Stream pipelines.

In the case of Belarus Hungary's clear interest is to promote the democratic transition process. The Hungarian government has opened its embassy in Minsk in 2007 after a long and heated debate. The Hungarian government has long been pushing for the inclusion of Belarus into the framework of European cooperation as much as possible as it would provide further impetus for the political transformation. The Minsk embassy gives Hungary a competitive advantage against many other EU member states and this first-hand experience combined with the excellent Hungarian-Polish cooperation can make Hungary a major force in shaping the EU-Belarus relations. Hungary's EU presidency can get a significant role

in managing the fallout of the presidential elections in Belarus, scheduled for December 19, 2010. This also means that the Hungarian presidency will have to prove its worth in the very first days of its mandate.

Hungarian-Moldovan relations are clearly one of Budapest's most significant success stories in the last few years, where the intensity of bilateral cooperation exceeded every expectation, while Hungary was one of the most important sponsors of Moldova's Euro-Atlantic integration. The EU Special Representative for Moldova is a Hungarian diplomat, Kálmán Mizsei. There is a Common Application Centre (CAC), granting Schengen-visas on behalf of many EU member states located at the Hungarian Embassy, and Ferenc Bánfi was the Hungarian head of the EUBAM (EU Border Assistance Mission) supervising the volatile Moldova-Ukraine border, which indicates Hungarian commitment to the region. The new Hungarian government is also interested in the further cooperation. On his official visit to Chisinau on October 25, 2010, Hungarian Prime Minister Viktor Orbán emphasized the importance of Moldova's European integration and pledged Hungary's full support for the post-Soviet state's ambitions. Still, Budapest should pay particular attention to the conservation of its influence, and should seek a leading role in shaping and extending the EU-Moldova relations.

Hungary must play a proactive role in forming the EU's relations with the western partner countries, and the lack of interest of the big EU member states side is a great opportunity. In cooperation with Poland, which will hold the Presidency in the second half of 2011, Hungary has to offer a European alternative to Moldova, Ukraine and Belarus, thus promoting the rapprochement between the partners and the EU. Hungary can profit from this process both politically and economically, therefore it is Budapest's best interest to engage the partners, and promote the expansion of trade and democratic transition.

The other three countries of the Eastern Partnership: Georgia, Armenia and Azerbaijan do not offer such promising chances. Their relatively far distance and the lack of common projects and interests provide only a very few opportunities. Even though that with the AGRI natural gas pipeline project the Hungarian government committed itself to cooperation, the low chance of realization cannot offer serious incentives to boost bilateral contacts. The unstable security of the Trans-Caucasian region also makes Hungarian diplomats very cautious, so the consensual EU-policy may be preferable to follow in this area.

Hungary's opportunities during the presidency

The success of the Eastern Partnership is a very important interest of Hungary; however, the country must be aware of the limited number and nature of the available tools. The biggest question is how can the Hungarian government uphold the interest of the partners while the membership itself is not among the offered incentives? Translated to sports language, Hungary should keep the players on the pitch, even though the ball itself is not even near to the stadium. This will not be an easy task.

Because of the large member state's indifference Budapest cannot expect to draw more funds into the Partnership's financial framework. Therefore the Hungarian Presidency should focus on new ideas, and should try to indirectly integrate the objectives of the EaP (free movement of persons and expanding bilateral trade) into existing EU-frameworks. The EU already has a number of resources which can be used to engage with our eastern neighbours with a little creativity. Major steps forward could be achieved primarily in the fields of energy and transport, bringing significant positive effects.

The development of transport corridors might be a good start, as it would bring benefits for the EU, the partner countries and Russia as well. Broadening and deepening commercial relations between the Union and the post-Soviet countries mean serious business for every participant, and because it can be benefit the Russian side too, it is less possible that Moscow would be hostile to the plans. The development of transport networks can promote one of the most important aims of the Partnership: the free flow of people and goods, so it would be worth to allocate Community TEN-T funds for the construction and expansion of existing and planned routes.

Energy is a bit more sensitive than transport, but there are promising perspectives for the Hungarian presidency. Budapest has been one of the loudest advocates of creating interconnecting natural gas pipelines across Central and Eastern Europe, and now this task is managed and subsidized by the EU as a community objective. Parallel to the EU's efforts, many partner countries are trying to break the Russian monopoly of energy too. The EU could easily engage these partners with the offer of cooperation, however in this case one must take the Russian reservations into account, which can make many partners cautious. As one of Russia's aims is to gain control of the European natural gas transit infrastructure, the objection raised in Moscow could be serious, thereby affecting the German support for the plan.

One of the most important questions facing the Hungarian policies regarding the EaP is that whether Mr. Orbán is willing to confront the Russian interests. Although the official EU communication states that the EaP is not aimed against Moscow, it is quite obvious that a flourishing EU-EaP cooperation does not serve the interests of Messrs. Putin and Medvedev. The Kremlin wants to see Moscowleaning leaders in the six partner countries, who follow the rules of the sovereign, not the European-style democracy. It is still a question how far Mr. Orbán – who wishes to sail the Eastern Wind – is willing to navigate against the Russian interests.

The primary responsibility of the Hungarian EU Presidency is to keep the Eastern Partnership alive, and to host a successful summit in May 2011. Considering the foreign policy priorities of Budapest, which were mainly focused on the Western Balkans Hungary should not be the loudest advocates of the EaP, but must keep the cooperation going, do the dirty work, and work out a joint action plan with the partners, providing Poland a good position to elaborate. Even though the EU's internal battles will not be won or lost by Hungary, a well-functioning EEAS is one of the country's prime interests, as it can handle the tasks associated with the Partnership.

We should be aware that the EU will never have a common foreign policy regarding its eastern dimension, as the old and new member states are divided by too many conflicts of interest. There is a remarkable block in support of the Eastern Partnership, where Poland and Hungary also played an important part. The Hungarian government should pay particular attention to the Partnership, as it can benefit a lot from its success. Many struggles will have to be fought in Brussels, Paris, Berlin and Budapest to move the Partnership forward, but this project must clearly be Hungary's priority, since nobody else will take care of it for them.

Edit Bencze Lőrinczné Ph.D.

Croatia's EU accession 'in sight'

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The enlargement

The enlargement is one of those political processes that characterises the whole story of the Community, as since 1961 – from the British application on – it is continuously on agenda, and now new aspirants are knocking on the doors, like Croatia. Till the period of democratic transformation neither the intensity nor the number of accessed states (altogether 6 new members) was remarkable. From the end of the cold war on accession gained more and more importance and has been on the political agenda on regular basis. It seems to be evident that the whole process of European enlargement can be separated into two main phases. The first phase lasts till the accession process in 1995 that affected the Western part of Europe by accepting countries with working democracy and capitalist market economy. The second period already concerns Eastern European countries in the middle of democratic and economic transmission. During the whole process the EU had to face the dilemma of integration or deepening when admitting more and more states to the Community. which is also of high relevance in case of the Croatian integration. (AVERY 2001, WALLACE 2002)

Difficulties in enlargement process

The Croatian accession strongly depends on two major elements. On one hand on the European Union itself, on the other hand on the intensity of development and cooperation of Croatia.

During the accession process of Croatia the EU had to face with the inner problems of the Community and with the challenge of the enlargement and the new tasks generated by them at the same time. Until it gives the answer to the questions "Where are the geographical borders of Europe?" and "Where are the boundaries of the deepening and sustainability of common policies?" or "Who should belong to the community?" the process of enlargement will remain a longish process – as Croatian case shows it. These were fundamental questions before Eastern enlargement and this discourse refers at the present in particular to the future relationship

between the European Union and Western Balkan countries, among them Croatia.

What is more, the EU has to cope with the challenges of the accession of new member states regarding the institutional and financial system and political questions so that the enlargement would not generate contra-productive processes – as it can be seen in my opinion in the case of Croatia. Thus, enlargement depends largely on the integration capacity of the EU. The whole process is continuously and dynamically questioned by the euro-scepticists. All these result in tiredness about the enlargement and "reflection" period, which hinders the accession of the whole Western Balkans including Croatia. In addition the European Union is particularly seen to be confronted with the dilemma of deepening and widening. There are some different variations to answer this question. A very optimistic strategy demands a parallel process of deepening and widening at the same time, assuming that both processes are reinforcing each other. The other one is the step-by-step strategy, and another well-known strategy is the one of a "core-Europe", which expects a more successful deepening from a limited number of participants. (Wessels, W. – Mittag, J. 2000)

The EU influenced by two contradictory parts forgets about its inner problems in order to demonstrate strength in the world arena and to support the full integration of the Western- Balkan region. Though, it is also clearly seen that the EU does not want to get engaged to the region as much as to the Central and Eastern European countries, it refrains from concrete promises regarding membership or its date, there is a lack of schedule for each candidate state, not to mention that the amount and time of pre-accession support are also unknown. An example of this statelessness can be detected in such expressions in the European rhetoric like it is an "open ended process" and "the date of the accession is not defined till the end of the accession negotiations".

It is easy for the European Union to select the best countries on the basis of the strict system of criteria of the enlargement, thus starting the negotiations only with the properly developed and modernised states. As far as the Western Balkans is concerned, as the Stabilisation and Association Agreement was offered to each state of

the region, it seemed for a long time as if the strategy of the Eastern enlargement would be repeated, which would have been equally beneficial for both sides. Not to mention, that in this way the EU could postpone the date of accession largely, thus getting rid of the problem of such ambiguous countries like Croatia for a while. Provided that the EU would stick to this policy, this would guestion the ideology and criteria of the enlargement, and would launch contra-productive processes in case of the best candidate, Croatia. (The first signs of which can already be seen in the drastic fall of the public support of EU-accession.) Though, starting the negotiations with only one Western Balkan state, Croatia in 2005, the EU has voted for differentiation again. From then on it has been put down in several official documents that it can only be the individual development that determine the date of accession. This would mean for Croatia to get accessed to the Community as a single state after the first example of Greece in 1981. The EU would support the worth of Stabilisation and Association Process as well, since SAP is to be the bridge between the integration strategy of the Western Balkans and the enlargement strategy of the EU. It backed up the importance of such principles as the individual development, differentiation and the possibility to catch up with the other, let alone the opportunity to select new candidate countries.

Croatia has wide-ranging relationship with all states of the region, which secures that its accession would not mean a fall-back in this field. On the contrary, a basic element of both the Croatian and the European rhetoric is that the good Croatian example could motivate the other states, since the euro-atlantic integration is a priority of every country's foreign policy. Croatia would prove that the efforts of the country to fulfill the requirements of the EU worth it, which would be a positive message to the Western Balkan states. In this way Croatia sends a positive message to all countries aspiring to join the European family, and country could be a factor of stabilisation in the region, thus its accession is the interest of the Union as well. Its accession would not mean a new breaking line; on the contrary, it would be a bridge between the region and the EU. (Lörincz 2009)

Croatia on the road to EU

The Croatian accession has the special character, as two phases of the whole integration process could be separated. The first term is from the declaration of independence (26 June 1991) till the death of president Franjo Tudjman (10 Dec 1999), when beyond building a democratic country and state, Croatia also tried to identify and manage the priorities of its independent foreign policy that was only partially related to the euro-atlantic integration. The priorities of Croatia's foreign policy were the establishment of national identity and the independent state even through aggressive methods in order to create the most probable ethnically clean state. This nationalist. expansionist strategy resulted in the international isolation of the country, and as such its ability to enforce its foreign policy interests came to be rather low. After isolation, the delay of negotiations with the Union for several times and the unsuccessful European pressure made it clear that the situation will remain unchanged till the death of president Tudiman. Therefore Croatia turned the millennium without having any official agreement with the European Union. (Lőrincz, 2009, Jović 2006)

The next phase is mainly characterised by the development and deepening of relations between the EU and Croatia from the death of the president on. At the beginning, progress was extremely intensive - it seemed as if the country had wanted to make up for lost time in the 1990s in order to catch up with the Central and Eastern European countries. This was confirmed by the public opinion that supported the accession significantly either on governmental level or in case of political parties or the society. Contrarily, when the first progression started to come to a sudden stop and it became clear-cut that Croatia will not be accessed to the Community together with Romania and Bulgaria, and the accession negotiations also started to slow up - even though political parties and politicians remained faithful to the EU accession – the social support started to fall abrupt. According to public opinion polls, support for EU accession has decreased between 2006 and 2009 (from 35% to 29%), and this year it has reached very low, even lower than any other pre-accession countries in earlier enlargements. The share of people thinking EU membership was a good thing was only 25%. Only 38% respondents would currently vote 'Yes' in an EU referendum – as opposed to 43%. (Gallup 2010) In this case the question is in the air whether Croatian people really want to join EU. As Croatia should have a referendum on EU accession, the latest constitutional changes have great importance. According to them it will be sufficient if more than half of those who actually take part in the referendum vote in favor. Previously, the constitutional quorum required for approval was 50 percent plus one of all registered voters - close to impossible to achieve in Croatia. (Palokaj 2010)

When on 4 October 2005, the European Union's Council of Ministers agreed to begin accession talks with Croatia, the Croatian compared this decision with international recognition of the Republic of Croatia on 15 January 1992. The intensification of the relations between the EU and the country started in 2000 and led to the signing of the Stabilisation and Association Agreement (SAA) on 29 October 2001. Croatia was the second Western Balkan country (the first was Macedonia) to sign a Stabilisation and Association Agreement (SAA) with the EU, representing the institutionalising the relationship of Croatia with the EU, however the agreement entered into force just on 1 February 2005. Croatia's path towards the European Union is grounded within the Stabilization and Association Process, stressing the principles of differentiation based upon "own merits" and possibility to "catch up" with the Eastern European candidate countries. (Com 2001A)

After signing SAA Croatia made important steps on its way to EU membership. The steps on this way were, first the official application for EU membership in February 2003, which obtained a positive response from the EU in April 2004, followed by granting the status of candidate country for membership in June of the same year. In December 2004 the European Council of the enlarged EU announced the date of the 17th of March 2005 as the starting point for the negotiation process. However the Council on 16 March 2005 decided to postpone the opening of accession negotiations, because it questioned Croatia's full cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). On 3 October 2005 after a positive report by the ICTY Chief Prosecutor the Council concluded that conditions for starting negotiations had been met. Accession negotiations are launched the same day. On 20 October 2005

'screening' stage of accession negotiations began and lasted until October 2006. 12 June 2006, at the Intergovernmental Accession Conference between Croatia and the EU in Luxembourg, Zagreb opened and temporarily closed negotiations on the first chapter Science and Research. (Ministry 2010c)

Since then the negotiations have being gone on. Only exception they were interrupted happened on 18 December 2008 over a border dispute with Slovenia, blocked eleven negotiating chapters at the accession negotiations with Croatia because it is convinced that, in the documents submitted by its neighbour to the negotiations, Croatia is prejudging the borderline dispute between the two countries. The Union and its Member States viewed the border dispute as a bilateral conflict that should be resolved between the two countries. (EUOBSERVER 2008) For 10 months negotiations had been blocked, but in September 2009 Slovenia had lifted its block on Croatia's accession negotiations. In November 2009 the final step was taken, two prime ministers signed an arbitration agreement to resolve the border dispute. (Arbitration 2010)

Since the start of negotiations 34 (out of 35) chapters have been opened for negotiations. Croatia has now provisionally closed 25 chapters, leaving the country with nine more areas to be closed. (Ministry 2010c)

The chapters 34 "institutions" and 35 "other issues" are different in substance, because they do not need any European legislation. Chapter "Institutions" defines how the future EU member state will be represented in the EU institutions. As a full-time EU member, the Western Balkan state will boast one commissioner and 12 seats in the European Parliament, seven votes in the Council of Ministers. The country will also have one judge at both the European Court of Justice and the Court of Auditors, and nine seats reserved for Croatia in the Committee of the Regions and the Economic and Social Committee. In addition Croatian will become one of the official languages in EU. Minister of Foreign Affairs and European Integration Gordan Jandroković participating in the conference on the future and EU perspective of South Eastern Europe, organized by the European Parliament's Group of European People's Party 16

November 2010 in Brussels delivered for the first time a speech in Croatian. (MINISTRY 2010A)

The chapter "other issues" deals with arrangements made when the full picture of the accession talks becomes clear. The negotiations are entering their final phase, and Croatia hopes to close another three or four before the Christmas break. The country is expected to wrap up its accession negotiations next spring and sign an accession treaty with the EU by the end of the Hungarian Presidency, in June 2011 meaning a possible accession in 2013.

On the bases last Progress Report Štefan Füle European Commissioner for Enlargement and Neighbourhood Policy said: "The Commission considers that negotiations should be concluded once Croatia has met outstanding closing benchmarks, in particular in the field of judiciary and fundamental rights, including fight against corruption." (Europa 2010)

On 9 November the European Commission adopted its annual strategy document explaining its policy on EU enlargement. The document includes a summary of the progress made over the last 12 months by the Western Balkan countries including Croatia.

According to the Progress Report today's Croatia is characterised as a working democracy, with well-based institutional system, constitutionality, functioning market economy and constant reforms that make it possible for the state to keep up with the competition within the EU. My presupposition, that Croatia is the most developed and democratised state of the region, is also proved by the reports and country analyses of the Union and other international organisations like the World Bank and the IMF. Regarding the macro-economic indexes it is high above in the rank of the region, and it is usually a good exemption from the general criticism of the whole region.

Nevertheless, it has still much to do concerning the administrative reform, the structural reorganisation of the economy and and restructuring the shipbuilding sector. The most demanding is the chapter 23 on the judiciary and fundamental rights. The main tasks of the country are to solve such sensitive issues as fighting against organised crime and corruption, respect for and protection of human rights, minorities and refugee return. There has been a lot to do with regard to women's rights, gender equality, freedom of expression and the independence of local media. Another issue is the subject of Croatia's cooperation with the International Criminal Tribunal for the former Yugoslavia. The Western Balkan country should make further efforts in cooperating with ICTY, as well as introduce some missing artillery documents. (Com 2010)

Some other new issues have risen recently. One of them had been solved by the ratification of Lisbon Treaty – after numerous hurdles and delays – paved the way for Croatia's accession, because the EU's institutional changes are now going ahead. The other one had been occurred when EU opened accession talks with Iceland in July 2010. It is possible that the EU may prefer for the two countries to enter in parallel, most likely, which again could delay Croatia's entry if the country is ready before the Northern country. Croatia hopes that the principle of own merit would apply, and the date of final accession depends on each country's own negotiations. Last but not least at the 16-17 December EU summit the Union will introduce a permanent mechanism for handling financial crises. Croatia, as well as Hungary (as taking over the European Union's rotating presidency in 1011) want the EU treaty change not to slow down Croatia's accession.

As Štefan Füle said after meeting Minister of Foreign Affairs and European Integration Gordan Jandroković on 25 November 2010. "Negotiations are indeed in their final phase, (Croatia's) EU accession is in sight. Sometimes these last 100 yards [metres] are the most difficult part of the Marathon, but the good news is that we have not only full confidence but also clear understanding of the main challenges to be tackled and solved." (MINISTRY 2010B)

The Croatian - Hungarian relationship

In the inter-regional relations Croatia's cooperation with Hungary is exemplary that is based on hundreds of years of common historical and cultural relations and the intensive relations with those living in the border-regions. From the political perspective, the relationship of the two countries is perfect, embassy level diplomatic relations were established on 16 January 1992. The number of high-level meetings has been increasing recently between two countries. Among them it is worth to mention not only the official meetings of presidents, prime ministers and foreign ministers, but also the three joint government sessions reaffirming Croatia-Hungary relations. Croatia is Hungary's significant economic-commercial partner. Zagreb is an important export market for Hungarian agricultural products, consumer goods, and fuels and the economic cooperation has increased and activated a lot since 2000. Hungary is the fourth largest investor in Croatia. Our relations in tourism are also significant. Croatia receives a large number of tourists from Hungary. In 2009 this numbered 323, 368 arrivals, coming in at 9th of countries from where tourists to Croatia originate.

Summarizing the most important issues between two countries I would like to underline five main priorities to improve cooperation. These are the cross-border relations, the environmental protection, the improvement of transportation system, common energy programmes, and energy diversity as well as cultural relationships.

Firstly we have to stress the importance of cross-border relations as the country shares a long border with Croatia, in addition, several thousand ethnic Hungarians live in Croatia. Unfortunately the region is characterized as rural one of peripheral location with higher unemployment rates, low investment capacity and increasing regional disparities. On this bases the cooperation is the priority on both side and the widening of economic-, cultural-, environmental-and cross-border cooperations have huge importance.

The second major issue is cooperation on the bases of environmental protection. The border region is characterised by the fact that it runs along the River Drava, flowing into the Danube. The region has extremely valuable environmental treasure which should be protected within the common programmes. The most important sign of this when in 2009 Croatia and Hungary established a Transboundary UNESCO Biosphere Reserve in order to protect their shared biodiversity hotspot along the Mura, Drava and Danube

Rivers – one of the world's biologically richest and most threatened ecosystems.

Not to mention the joint work on infrastructure projects, notably the completion Budapest – Zagreb – Rijeka highway as the part of Trans-European Corridor Vb and the opening of the Gorican border crossing for passenger traffic with new Mura Bridge on the Hungarian side of the border. The construction of motorway sections of Corridor Vc, a major transport route connecting the Hungarian capital and Croatia's southern port of Ploce, passing across Eastern Croatia and neighbouring Bosnia and Herzegovina introduces huge opportunities for enchanging countries.

Energy issues are always among the top issues, Hungary and Croatia are on seeking to open new links. The cooperation in some energy projects, such as the delivery of liquefied natural gas from a terminal in the Adriatic to Hungary and the linking of the two countries' power supply systems, as well as in issues making everyday life easier for citizens. The cooperation between Hungarian and Croatian oil companies Mol and INA plays a determining role for both countries. Last but not least some words about cultural relationships. The existence and the culture of the minorities living in both countries enriches the cultural values of the two countries focusing on the mutual protection of their cultural and historic heritage, and their creative activities. On the bases of cultural cooperation Hungary and Croatia are examples of how good neighbours should live side-by-side, cooperate and build a future together. (Lórincz 2009)

The Hungarian Prime Minister, Viktor Orban, during the meetings with President of the European Council Herman Van Rompuy in Brussels (17 November 2010), presented the agenda of the Hungarian presidency of the Council of the EU in the first half of 2011. According to it the Hungarian government is seeking support for the completion of accession negotiations with Croatia — Hungary would like to complete accession negotiations with Croatia during its presidency. (Central 2010)

Hungarian ambassador to EU Peter Gyorkos (former ambassador in Zgareb) also underlined that "Ending Croatia's European Union

negotiations by the summer of 2011 is one of the priorities of the Hungarian presidency in the first half of next year. Croatia can serve as an example that will show EU citizens that expansion is an asset to Europe. Its membership would also show other states in the area that accession is possible if conditions are fulfilled." (Croatian 2010)

Short summary – Why should Croatia join the EU?

The constructivists do not think that the financial interests are very influential in enlarging process, but the ideological-cultural overlap, more precisely that both the member and the candidate states have the common European identity, values and norms have great significance. According to constructivists the ideological-political points of view is given more importance to since in case of the Croatian accession it is evident that the EU is not driven by economic interests, rather geopolitical, security political and cultural reasons.

On the other hand, Zagreb underlines that Croatia is already a European country and belongs to Europe by its tradition, history and culture. Therefore membership in the European Union would represent just a political confirmation of what Croatia has always been. Therefore, the EU membership could not be a goal in itself, but an expression of the country's orientation toward European values. (Delegation 2010)

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