

P R E S S R E L E A S E

Brussels, 7 December 1999

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**FIFTH MEETING OF THE ASSOCIATION COUNCIL
BETWEEN THE EUROPEAN UNION AND THE CZECH REPUBLIC
(Brussels, 7 December 1999)**

JOINT PRESS RELEASE

1. The EU-Czech Republic Association Council held its fifth meeting on Tuesday 7 December 1999, chaired by Ms Tarja HALONEN, Minister for Foreign Affairs of Finland and President-in-Office of the Council of the European Union. Mr Jan KAVAN, Minister for Foreign Affairs of the Czech Republic, headed the Czech Delegation. Mr Günter VERHEUGEN, Commissioner responsible for Enlargement, represented the European Commission. The meeting allowed for an exchange of views, which proved particularly fruitful at this stage of the enlargement process.
2. The Association Council reviewed the Czech Republic's preparations for accession in the light of the Accession Partnership, the National Programme for the Preparation of the Czech Republic for the Membership of the European Union, revised in May 1999, and the second regular report issued by the European Commission on 13 October 1999 on the Czech Republic's progress towards accession.

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The Association Council recognised and appreciated the efforts the Czech Republic is making in pursuing its goal of integration to the European Union. It acknowledged the fact that some of the necessary changes and reforms that the Czech Republic has embarked upon represent significant challenges in economic, social and political terms but repeated however the need for their pursuance. It was noted that limited progress had been made in addressing the short-term Accession Partnership priorities.

The Association Council noted that the Czech Republic fulfils the Copenhagen political criteria and encouraged it to continue efforts to reform the judiciary and improve the situation of the Roma. In this context, it welcomed the Czech government's successful efforts to have the fence in the city of Usti nad Labem dismantled.

The Association Council encouraged the Czech Republic to pursue its efforts, which have led to some positive macro-economic developments. The restructuring and increase in transparency of public finance should be addressed in order to ensure its sustainability.

The Association Council noted that, although legislation has already been partially aligned to the Community *acquis* in numerous areas, there has been little movement towards completing alignment and ensuring effective implementation of the laws in some key areas of the internal market.

The Association Council took note of the progress made by the Czech Republic in adopting the *acquis* in the field of justice and home affairs and in the public administration reform. It encouraged it to pursue and increase its efforts and allocate sufficient funding for effective implementation.

The Association Council encouraged the Czech Republic to speed up alignment in all areas, so as to be able to apply EU rules and standards effectively from the date of its entry into the Union.

The Association Council welcomed the steps the Union has taken in preparing for enlargement: the Agenda 2000 reform package, including new financial perspectives, agreed by the Berlin European Council and the decision by the Cologne European Council to organise a new inter-governmental conference next year to make the EU's institutions fit for enlargement.

3. The Association Council also examined the evolution of bilateral relations in the framework of the Europe Agreement. Position papers were exchanged in which the Parties review developments to date and consider future priorities. It noted that open issues were examined in detail by the Association Committee, as well as in day-to-day collaboration between ministerial meetings, so as to enable the Association Council to appraise the situation politically.

The Association Council noted the further development of bilateral trade flows between the European Union and the Czech Republic.

The Association Council noted that both Parties are currently negotiating mutual concessions in agricultural products and processed agricultural products, with a view to further liberalising bilateral trade and improving market access in the pre-accession period.

The Association Council noted the introduction by the Czech Republic of safeguard measures for sugar imports. It noted the Czech commitment, after intensive consultations between the Parties, to present a clear and committing timetable for the legislative alignment to the *acquis* in the sugar sector.

The Association Council welcomed the conclusion, on 27 October 1999, of the negotiations with regard to the Protocol to the Europe Agreement on Conformity Assessment and Acceptance of industrial products. The document should be initialled in the near future.

Concerning the recently amended Czech Employment Act, the Association Council noted the intention of the Czech government to exempt the personnel employed by Community companies and EU nationals from the provisions concerning foreign key personnel employed in the Czech Republic.

The Association Council noted the decision of the Czech government, on 27 October 1999, to take exceptional temporary measures concerning road tractors for semi-trailers. It encouraged both Parties to find an appropriate solution within the framework of the Europe Agreement.

The Association Council noted the Czech Republic's participation in several Community programmes: Raphael, Third Programme for SMEs, Save II, Socrates, Leonardo da Vinci, Youth for Europe, Health Promotion, Combating Cancer, AIDS Prevention, Drug Dependence and Equal opportunities, as well as the 5th framework programme for RTD. It underlined the role of Czech participation in these programmes as an important element of the pre-accession strategy enabling the Czech administration to gain experience in the practical work of Union bodies.

The Association Council welcomed the contribution of the PHARE programme and the European Investment Bank to the development of the Czech economy, notably to strengthen the crucial sectors of the national economy, as well as to support several cross-border co-operation programmes. It noted the further increase of the pre-accession aid to the Czech Republic and other applicant countries from 2000 and the establishment of two new instruments providing aid respectively for agricultural and rural development (SAPARD) and structural policies (ISPA).

The Association Council also emphasised the importance of regional co-operation as a means of fostering stability and good neighbourly relations. It noted with satisfaction the Czech Republic's contribution in regional co-operation initiatives, notably as a member of the Central European Initiative (CEI), which the Czech Republic chaired in 1999.

4. In conclusion, the Association Council expressed its confidence in the development of the relations within the Europe Agreement and emphasised the crucial role it is further called on to play in resolving existing bilateral problems and preparing the Czech Republic for accession to the Union.