For many years the Eastern enlargement of the European Union was not the topic of a hot public debate. It emerged from the shadows almost abruptly while the EU was changing its skin and shifting its focus from the Rhine to the Vistula and the Carpathian mountains. Then, as often happens, the fierce debate subsided as quickly as it had begun and public opinion focused on the economic crisis. Enlargement continued, however, and today the EU is opening its doors to the Western Balkans. Primo Piano Scala c was honoured to be able to interview a key player in this process, Ambassador Vandoren, chief EU negotiator with Croatia. Now at the end of a career during which he worked tirelessly to build the European Union, Vandoren is still unhesitatingly enthusiastic about enlargement; the picture he paints is one of light and shadow. The point of departure is none other than the historic opportunity Europe had to use enlargement to build enduring peace and heal the wounds which tore the continent apart for so long. We find nothing rhetorical about the statement that "for Croatia, its accession means a return to the European family to which it belonged", especially because it refers to a geopolitical context in which the conflict between ethnic and religious groups led to such dramatic results. It's not a question of enunciating principles: we should not underestimate the practical implications of the *acquis communautaire*, i.e., the rights, legal obligations, and political objectives candidate countries have to adopt to enter the EU. For example: Croatia was forced to abolish the ban which for over fifty years had prevented Italian citizens from purchasing real estate in Istria, Fiume and Dalmatia. The fact negotiations with Croatia were so successful is encouraging especially now that Serbia might enter the EU, and put an end to the long years of warfare which caused so much bloodshed in the Balkans. There is another issue though, we should not underestimate: why is it that each time European citizens are asked to express their opinion about European integration, they hand down such severe sentences? The two

referendums in France and The Netherlands which sank the European Constitution were said to have been a reaction to the *Polish plumber* threat: in one fell swoop, Eastern enlargement and closer economic integration (which needed and still needs enlargement to function properly) and still needs enlargement to function properly) met with a resounding defeat. Free movement of goods, capitals, and persons; deregulation of the labour market; downsizing of industrial and fiscal policies and the welfare State, but without boosting EU policies. These are all historic changes, but ones which the citizens of twenty-points downstria countries were not asked to eight democratic countries were not asked to endorse, perhaps because one of the pillars on which the construction of Europe rests is trust in an *élite*, in "wise and responsible" men who can lead the peoples of Europe to a future of peace and prosperity. A challenging promise, yet to be fulfilled.

Mariella Palazzolo y @Telosaes



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## VANDOREN

## EU ENLARGEMENT AGAINST ALL ODDS

The accession negotiations were a highly complex and extremely demanding process for both the EU and Croatia. The commitment and determination of both sides brought this process of 10 years to a successful conclusion.

> Telos: Privatisations, rule of law, bilateral relations: these are only few examples of the issues you dealt with, as Head of the Delegation of the EU to Croatia, during the negotiations ultimately leading to the latter's accession as 28th Member State. It would be interesting if you could take stock of this experience, outlining the successes and criticalities of the negotiations.

> Ambassador Vandoren: The accession negotiations were a highly complex and extremely demanding process for both the EU and Croatia. The Croatian institutions have undergone a thoroughgoing reform, whilst 140,000 pages of acquis communautaire have been incorporated in the Croatian legal framework. The commitment and determination of both sides brought this process of 10 years to a successful conclusion.

> The political and economic criteria for accession remained the same as for previous negotiations, but the methodology became more demanding. This was particularly the case in the field of the rule of law covering the reform of the judiciary, the fight against corruption and the respect for fundamental rights. Detailed benchmarks were spelled out and had to be fulfilled. Track records showing that the situation had changed on the ground needed to be established. The experience with Croatia now serves as a precedent for the negotiations with Montenegro. Of course, the work is never finished and Croatia now continues on the path of reform. All these changes were undertaken in the best interest of the Croatian citizens. Croatia now is a modern, democratic, market economy country. Between the end of the accession negotiations (June 2011) and Croatia's accession to the EU (1 July 2013), the country was subject to a thorough monitoring mechanism by the European Commission. The successful implementation of this mechanism avoided the country being subject to a special monitoring mechanism after its accession, as was the case for Romania and Bulgaria.

> The most critical moment in the negotiations occurred in 2008-2009, when Croatia and Slovenia, two neighbouring countries, became locked in a territorial dispute, leading to a significant delay in the negotiations. Luckily an agreement to submit this dispute for arbitration to the International Court of Justice was reached. Similarly, until a few months before accession, these same countries were involved in a dispute resulting from claims relating to assets held by the former Ljubljanska Banka. Here again, an understanding was reached to deal with this matter outside the accession process. The biggest contribution Croatia can make to the EU now is to act as a bridge-builder towards the other countries of the region. An enormous amount of work remains to be done by and in these countries before they have a chance of joining the EU. For Croatia, its accession means a return to the European family to which it belonged.

> Croatia's current biggest challenge is to create an investment friendly environment in order to attract



Paul Vandoren served as Ambassador-Head of the Delegation of the European Union to the Republic of Croatia in 2009-2013. Upon the accession of Croatia to the EU, he was awarded the Order of Duke Trpimir by the President of Croatia for his services to the Country. Previously he was Acting Head of the Delegation of the European Commission to the Russian Federation.

Vandoren is a former Director *ad interim* at the Directorate-General for Trade of the European Commission. In this position, he was responsible for textiles, intellectual property, Government procurement, large civil aircraft, trade analysis and EU-Japan trade relations. Previously he was, as Head of Unit in the Directorate-General for the Internal Market, in charge of copyright and neighbouring rights. In this field, he represented the European Commission in the World Intellectual Property Organisation and in the Council of Trade-related Aspects of Intellectual Property Rights (TRIPS) of the WTO.

For several years, he was an investigator in competition and anti-dumping matters and he represented the European Commission in the then GATT Anti-Dumping Committee.

In 2010, he was appointed Visiting Professor at the Law School of the Katholieke Universiteit Leuven (Belgium), where he has been teaching international aspects of intellectual property rights.

Vandoren graduated in Law from the Katholieke Universiteit Leuven, the College of Europe in Bruges and Ann Arbor (U.S.). A Belgian national of Dutch mother tongue, he was born in Antwerp in 1948. He is married with several children and grandchildren.

Foreign Direct Investment, which crashed in 2009. It is the only way to get the economy going and to reduce employment, in particular of young people.

The negotiations for the accession of a new Member to the EU are typically not brought to the attention of the public opinion of the other Member States. Could you tell us an anecdote that may give a sense of the importance of such a crucial process in European integration?

Let me stress that there is a very close co-operation between the European Commission and the EU Member States during the accession negotiations. As long as there is no outcome of the negotiations, it is premature to extensively inform the public opinion in the Member States and the accession country. However, of crucial importance was the restructuring of the Croatian shipyards, which had for many years benefited from subsidies which were in violation of the EU state aid rules. Successive Governments did not dare to tackle this matter, because shipbuilding had been for many years the crown of Croatian industry. However, it had also been for many years a loss making industry. Management was old fashioned and the trade unions were of the view that conversion to an alternative industry was not an option. The EU side had no choice but to insist on the restructuring of this sector, which eventually took place through privatisation, because many of our Member States had been forced to restructure their shipbuilding (and steel and textile) industry. This matter was highly sensitive to public opinion in Croatia and the EU Member States and remained a significant hurdle until accession.

At the European Commission you handled many dossiers, among others, in the fields of intellectual property rights and external trade relations. Is there a dossier that you are particularly proud to have contributed to? Moreover, is there a decision you would not take again if you could?

In the field of international trade, I dealt with a wide variety of files of key importance to the EU industry, such as intellectual property, public procurement, new technologies, textiles and, last but not least, large civil aircraft. I am particularly proud of the successful defence provided to Airbus and the Member States concerned (France, United Kingdom, Germany and Spain) in the fight against Boeing and the US Government. The US authorities, for years, had provided enormous amounts of subsidies to Boeing in violation of multilateral and bilateral rules. Eventually, the dispute was submitted to a panel in the World Trade Organisation, where the EU and its Member States saw the financial support granted to Airbus being cleared, whereas the subsidies to Boeing were condemned. I cannot recall a file where I regret the course of action I proposed. What I do regret, though, is that the multilateral Doha Development Round of trade negotiations has not led to results. Hence, most trading partners, including the EU, are now involved in regional or bilateral trade negotiations. There is currently no alternative. I do hope that the recently launched negotiations between the EU and the USA on the one hand, and Japan on the other hand, will be successfully concluded.

You served in the European Commission at the time when Mario Monti was a Member of the College of Commissioners. Could you tell our Italian readers an anecdote from your experience of how working with Monti was like?

Mario Monti was an excellent Commissioner. I worked with him when I was an official at what currently is DG Market. At that time, I was in charge of harmonisation of authors' and performers' rights in the EU. In this field, I also represented the European Commission in the World Intellectual Property Organisation in Geneva, where 2 new international conventions were concluded defining the rights and obligations of authors and performers in the digital society. Mario Monti gave the opportunity to his officials to explain orally, at regular meetings in his office, the proposals which were put on his table for decision. He carefully listened, asked the appropriate questions and swiftly took decisions. He always remained extremely calm and carefully weighed the pros and cons of any decision. It was a great pleasure working with him. It gave a good feeling to know that, as an official, one was listened to by a wise and responsible man.