

THE ACCESSION BETWEEN CONSTRAINTS AND OPPORTUNITIES*

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It is an honour and a privilege to be here with you and briefly elaborate on such a hot and challenging topic - the accession and Romania's profile as a future member state. The task is even more challenging as the debate is taking place under the auspices of the fifth anniversary of the European Institute of Romania, the activity of which I highly appreciate and support.

We are now very close to reaching our integration goal. We closed the negotiations and we have signed the Accession Treaty in Luxembourg. We are trying to get full advantage of our observer status in the European Council and, as of September, we will have 35 observers in the European Parliament too.

The recent estimations regarding the outcome of the first wave of the 5th enlargement are quite optimistic as well. Before May 1st, 2004 pessimists warned that the enlargement could lead to political and economic disaster because of the important gap between the Eastern and Western European Countries.

After one year, although new and old members still face political and economic challenges, the emerging trends are very positive. In economic terms, the gains are clear. The new EU members saw gross domestic product rise 5 per cent last year and the economists forecast a further increase of more than 4 per cent in 2005 - more than twice the rate of the EU 15.

Accession has boosted trade. Imports and exports between the EU 15 and EU 10 have risen substantially since accession. In fact, the benefits of enlargement for the EU 15 have been felt for over a decade, as the volume of Euro-area exports to the new member states increased 140%.

As enlargement has boosted foreign direct investment generally in the EU 10, companies from the 15 old member states are among the biggest investors. Austria, for example, is now the biggest foreign investor in Slovenia, Romania and Bulgaria and the third biggest foreign investor in Hungary, Slovakia and the Czech Republic.

Looking at the big picture, the estimates are for EU enlargement to increase gross domestic product for the EU 15 by 0.7 per cent over the next decade.

Just as important as the positive economic trends is the fact that none of the predicted disaster scenarios have happened, not the un-precedent surges of cheap imports, the mass migration flows or the health scares from substandard food.

Tourists are flocking to the region and students and young people from the 10 new member states have seized the opportunity to travel and learn languages abroad.

Therefore, at least in theory, we have a lot of reasons to be optimistic about our accession in 2007.

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Reasonably speaking, we should not forget that Europe is facing today a number of important challenges: to maintain the competitive edge of its internal market, to continue to provide internal security, stability and economic growth, to be strong enough to face the new threats to international security, to strengthen the transatlantic link, to forge a balanced partnership with the other major world powers. Last but not least, the negative vote on the Constitutional Treaty in France and in the Netherlands is the expression of a profound crisis of the European project, maybe the most severe it had ever witnessed.

I took part, in France, at several public manifestations organised by the supporters of the Constitutional Treaty and I was very surprised to discover that the major part of the population had not the slightest idea about the provisions of the Constitution. The negative vote was a hundred percent the reflection of the public dissatisfaction regarding the internal socio-economic context. It was a vote of mistrust given to the political class in power. But the result is affecting the whole European architecture. The Constitutional Treaty is now buried for at least two years because of the autumn elections in Germany, the Italian elections in spring next year and the French elections in autumn 2006.

The negative vote on the Constitutional Treaty and the European political crises it triggers could also put into question the enlargement process and we shouldn't be surprised if Romania's and Bulgaria's progress is even more carefully evaluated. Thus, Romania could turn into a genuine Nadia Comaneci of Europe. In a

tense European context, any mistake in its performance could be severely sanctioned.

In order to achieve full membership on the 1st of January 2007, we have to successfully overpass three very important events: two Commission Comprehensive Monitoring Reports - one in October this year and the other in spring next year, and to have our Accession Treaty ratified by all 25 member states in due time.

We legitimately enjoyed our moment of glory in Luxembourg, while signing the Accession Treaty, but it's time now to get back on Earth and focus more on the implementation of the commitments assumed during negotiations. And there are a lot of sensitive issues to concentrate upon: the reform of the judiciary, the fight against corruption, strengthening border control, combating illegal migration and traffic in human beings, health and social reforms, ensuring fair competition rules and creating a friendly environment for business.

Although very important, the strategic partnership with the US or the integration in the international structures of our eastern neighbours is not the main objective of our internal and foreign policies. We should not lose sight of the fact that the main goal of Romania is the integration in the European Union on the 1st of January 2007. Exclusive Atlanticism will not bring us in the EU, as our President seems to believe.

Our European partners are evaluating not only the internal reforms, but also the overall behaviour of the political actors. Since Europe is not just an internal market, but also a community of people sharing the same interests and values.