



**COUNCIL OF
THE EUROPEAN UNION**



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**Fourth meeting of the Accession Conference
at ministerial level with Croatia
Brussels, 26 June 2007**

The fourth meeting of the Accession Conference with Croatia at ministerial level was held today in Brussels, following the start of accession negotiations on 3 October 2005. The Head of the European Union Delegation was Frank-Walter Steinmeier, Germany's Federal Foreign Minister and current President of the Council. The Croatian delegation was led by Ms. Kolinda Grabar-Kitarović, Minister of Foreign Affairs and European Integration.

The aim of the Conference was to open negotiations on six further new chapters (all with closing benchmarks), namely: Chapter 3 - Freedom to Provide Services; Chapter 6 - Company Law; Chapter 9 - Financial Services; Chapter 10 - Information Society and Media; Chapter 18 - Statistics and Chapter 32 - Financial Control.

The Conference also confirmed at ministerial level four chapters - Chapter 7 - Intellectual Property Law; Chapter 17 - Economic and Monetary Policy; Chapter 20 - Enterprise and Industrial Policy and Chapter 29- Customs Union - which were previously opened by Accession Conferences at deputy level.

P R E S S

For the six chapters which were opened today, and on the basis of negotiating positions, the Union has closely examined Croatia's general state of preparedness in these areas. Taking into account Croatia's present state of preparations - and on the understanding that Croatia will continue to make progress in the alignment with and implementation of the *acquis* - the EU underlined main issues regarding the closing benchmarks, namely:

Chapter 3 - Right of establishment and freedom to provide services.

- Croatia will have to comply with the *acquis* on the recognition of professional qualifications for EU citizens;
- As regards the right of establishment, Croatia will have to repeal any nationality requirements;
- Croatia has to align its legislation, in particular the Law Practice Act, in order to bring it fully in line with the requirements of the Stabilisation and Association Agreement, and;
- Croatia has to align its legislation with the *acquis* on aliens, cross-border provision of services on a temporary basis and postal services.

Chapter 6 - Company Law

- Croatia has to align the Companies Act, the Audit Act and its accounting legislation with the *acquis* and complete alignment with the directive on take-over bids.

Chapter 9 - Financial Services

- Croatia has to transpose the relevant *acquis* into Croatian law, in particular on the insurance sector, investments services and securities markets, and;
- Croatia has to demonstrate continued progress in the enforcement of prudential requirements.

Chapter 10 - Information Society and Media.

- Croatia has to align with the *acquis* concerning electronic communications, electronic commerce, electronic signatures, information security and electronic media, and the Television without Frontiers Directive. Furthermore, Croatia has to complete the foreseen review of audiovisual media legislation;

- Croatia has also to ensure sufficient administrative capacity to enforce the *acquis*.

Chapter 18 - Statistics

- Croatia has to submit a detailed description of the foreseen methodology and of the organisational set up as well as relevant statistics, and key national account indicators with a detailed description of the methodology used.

Chapter 32 - Financial Control

- Croatia has to adopt and implement Public Internal Financial Control (PIFC) legislation and inherent policies supported by adequate implementation capacity;
- Croatia has to safeguard the State Audit Institution's functional and financial independence;
- Croatia has to align the Criminal Code with the protection of the EU's financial interests (PIF) Convention and its protocols and its legislation for the protection of the Euro against counterfeiting, and;
- Croatia shall set up effective and efficient coordination.

In more general terms, the EU underlined that it would devote particular attention to monitoring all specific issues mentioned in its common positions with a view to ensuring Croatia's administrative capacity, its capacity to implement international standards and EU best practices. The Union will closely monitor Croatia's progress in all these chapters throughout the negotiations.