

**The Enlargement of the European Union:
Prospects and Problems***

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I am delighted to have been invited to open the Conference "on the enlargement of the European Union: Prospects and Problems" organized by The Hellenic Foundation for European and Foreign Policy (ELIAMEP) with the cooperation of the Embassy of Austria in Athens, the country which currently holds the six-month rotating presidency of the Council of the Union. I would like to take this opportunity to express my profound admiration for the excellent work the Austrian Presidency has already done, although, as you know, it is the first presidency Austria holds as a member state of the European Union. Amongst the achievements of the Austrian presidency is the convening of the extraordinary European Council in Portschach late last month and the skillful handling of the enlargement negotiations as well as the "Agenda 2000" negotiations. I, therefore, congratulate the Austrian Ambassador for the remarkable work so far accomplished.

This coming Tuesday, on November 10th, the enlargement process is going to enter a new phase. The negotiations, which started last March with Cyprus and the five countries of Central and Eastern Europe, namely Estonia, the Czech Republic, Hungary, Poland, and Slovenia, will enter into their substantive stage. The screening of the "acquis" pursued since last March has enabled both the European Union institutions, the E.U., the member states and the candidate countries to identify problems and the required solutions in terms of transitional arrangements or temporary derogations. So substantive negotiations on seven of the thirty-one chapters can open with the six countries.

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This is a highly important development and it is to the credit of the Austrian presidency that took the initiative and insisted on opening the negotiations proper. It is an important development because it confirms the political determination of the Union to forge ahead with enlargement. As rumors circulating in the "corridors of power" speak of delaying the enlargement process, the start of the substantive negotiations represents the best answer to all these.

As I have said several times, the enlargement of the Union represents a historic opportunity that neither the Union itself nor its member states can turn down. The stability, peace, democracy and prosperity of Europe hinges decisively on the enlargement of the European Union. If we fail to carry out the task of enlargement, Europe, in all probability, will relapse into instability, poverty and, perhaps, authoritarianism. Enlargement represents, therefore, "*a huge investment in stability, democracy and prosperity*" for the whole of Europe.

Having said that, I would like to stress emphatically that enlargement should not undermine the internal institutional, political, and economic cohesion and effectiveness of the Union. Nor should it undermine the prospect for wider political and economic integration. In other words, *enlargement* should go hand in hand with *deepening*. Past experience shows that enlargement can be reconciled with deepening. Indeed, enlargement can be a driving force for deeper integration. And I am sure that the Eastern and (new) Mediterranean enlargement will act accordingly.

In this context, I think it is important to resolve the issues relating to the future financing of the Union, the new structural policy, and the reform of common agricultural policy (CAP) -- issues being negotiated currently in the framework of the "Agenda 2000". Similarly, it is important to reform further the institutional structure of the Union, going well beyond the prescriptions of the Amsterdam Treaty, in order to ensure the effectiveness and democratic character of the enlarged Union of the 25 or 30 member states.

More specifically, as far as *Greece* is concerned, I would like to emphasize the importance my country attaches to the enlargement of the E.U. We think that enlargement is an overriding objective for the Union. Moreover, we believe that

enlargement should eventually encompass all countries of S.E. Europe. This would be the best strategy for cementing stability and democracy in this turbulent region.

With regard to Cyprus, the only thing I would say is that the island meets all the conditions and criteria for accession and on the basis of that the country should enter the Union as soon as the negotiations and relevant processes are concluded. We are fully aware of course of the prevailing political situation in the island. But we believe that accession could provide the catalyst for a just and viable solution along the lines defined by the U.N. Security Council. And we want accession to be a factor benefiting both Communities on the island. Unfortunately, the Turkish-Cypriot side refuses to see the benefits derived from E.U. membership, to contribute to the finding a solution to the political problem, and to join the negotiating team by taking up the invitation extended to it by President Clerides. If this unyielding posture of the Turkish side persists, it must be clear that Cyprus would join the Union regardless of any other consideration.