## CONFERENCE ON ACCESSION TO THE EUROPEAN UNION - SERBIA -

Brussels, 9 January 2014

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# ACCESSION DOCUMENT

GENERAL EU POSITION Subject:

Ministerial meeting opening the Intergovernmental Conference on the Accession of Serbia to the European Union (Brussels, 21 January 2014)

#### EU OPENING STATEMENT FOR ACCESSION NEGOTIATIONS

- 1. On behalf of the European Union, I am delighted to welcome here today the distinguished representatives of Serbia to the opening of accession negotiations of your country to the European Union.
- 2. This is a historically important moment for us all. Enlargement remains a key policy of the European Union. The opening of accession negotiations is not only an important step in Serbia's relations with the EU but it is also a clear testimony of the EU's continued commitment to the European perspective of the Western Balkans. Opening of the accession negotiations also further demonstrates that, when conditions are met, the EU delivers on its commitments. The prospect of accession drives political and economic reforms, transforming societies, consolidating the rule of law and creating new opportunities for citizens and business in those European countries who want to become part of the project of an ever closer union. It strengthens the process of stability and reconciliation in the region, demonstrating the transformative and stabilising effect of the enlargement process for the benefit of both the EU and the region as a whole.
- 3. Serbia is already a close partner of the European Union as part of the Stabilisation and Association Process. The Interim Agreement on trade and trade-related matters, which was signed in April 2008, entered into force on 1 February 2010. Furthermore, the Stabilisation and Association Agreement recently entered into force on 1 September 2013. Prior to this, the Commission has maintained an intense dialogue with your authorities with a view to monitoring the implementation of the EU reform agenda and key priority set out in the Commission's opinion of October 2011 on Serbia's application for accession. Courageous steps have been taken to reach a First Agreement on the principles governing the normalisation of relations between Serbia and Kosovo\* and positive progress has since been made in the implementation of its main elements.

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<sup>\*</sup> This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

- 4. All in all, our dialogue and cooperation has been very intense in the last years. The European Union has noted that Serbia implemented the Interim Agreement well and has contributed to the smooth functioning of the various joint institutions. Moreover, as stated in our first Stabilisation and Association Council, held on 21 October, the entry into force of the SAA marked a new qualitative stage in bilateral relations. The SAA will further reinforce the already clearly visible positive benefits of the Interim Agreement especially in the area of trade. This implies significant new obligations and engagement for Serbia in areas including justice, freedom and security, free movement of workers and the right of establishment and free movement of capital and services, which now have a contractual character.
- 5. The benefits for both sides of the improved quality of our relations are already materialising. Travel to the EU, for example, has become easier for citizens of Serbia since visa liberalisation entered into force in 2009. The EU also provides financial assistance to Serbia under the Instrument for Pre-Accession Assistance (IPA). Moreover, Serbia participates in several EU programmes. Our political and economic dialogue will now further develop, notably within the SAA bodies.
- 6. As was noted by the Council in its conclusions of 11 December 2012 and most recently of 25 June and 17 December 2013, which were endorsed by the European Council of 27/28 June and of 19/20 December 2013 respectively, Serbia has achieved the necessary degree of compliance with the membership criteria, and notably the key priority of taking steps towards a visible and sustainable improvement of relations with Kosovo. Serbia sufficiently fulfils the political criteria and conditions of the Stabilisation and Association Process, and has taken important steps towards establishing a functioning market economy. Serbia should be in a position to take on the obligations of membership in the medium term in nearly all *acquis* fields.
- 7. Today's launch of accession negotiations represents a turning point in the evolution of our relationship. Your country is part of our shared European history, heritage, values and culture, and we look forward to intensifying our already close ties.

- 8. Our negotiations are based on Article 49 of the Treaty of the European Union and, accordingly, take account of all relevant Council conclusions, in particular the conclusions of the June 1993 European Council in Copenhagen and the renewed consensus on enlargement agreed by the December 2006 European Council. The EU attaches great importance to the coherent implementation of the renewed consensus on enlargement, which is based on consolidation of commitments, fair and rigorous conditionality, better communication, combined with the EU's capacity, in all its dimensions, to integrate new members, with each country being assessed on its own merits. A credible enlargement policy is key to maintaining the momentum of reform in the countries concerned, and public support for enlargement in the Member States. The Council remains firmly committed to taking the enlargement process forward on the basis of agreed principles and conclusions.
- 9. As requested by the European Council of 27/28 June 2013, and confirmed by the European Council of 19/20 December 2013, the Council has adopted on 17 December 2013 a general Negotiating Framework, in line with the renewed consensus on enlargement approved by the European Council in December 2006 and established practice. It incorporates the new approach proposed by the Commission as regards the chapters on judiciary and fundamental rights, and on justice, freedom and security, as well as the issue of normalisation of relations between Serbia and Kosovo.
- 10. The Negotiating Framework, which we present to you today, takes account of the experience of past enlargements and on-going accession negotiations, as well as the evolving acquis, and duly reflects Serbia's own merits and specific characteristics. The negotiations are aimed at Serbia integrally adopting the EU acquis and ensuring its full implementation and enforcement.

- 11. The Negotiating Framework takes particular account of the experience acquired in relation to the negotiating chapters on judiciary and fundamental rights and to justice, freedom and security. Both chapters will be tackled early in the negotiations to allow maximum time to establish the necessary legislation, institutions and solid track records of implementation before the negotiations are closed. Screening reports to be prepared by the Commission for these chapters will provide substantial guidance, including on the tasks to be addressed in the action plans to be adopted by the Serbian authorities, which will constitute the opening benchmarks. These action plans setting out Serbia's reform priorities should be developed through a transparent process of consultation with all relevant stakeholders to ensure maximum support for their implementation.
- 12. The Negotiating Framework also takes account of Serbia's continued engagement and steps towards a visible and sustainable improvement in relations with Kosovo. This process shall ensure that both can continue on their respective European paths, while avoiding that either can block the other in these efforts and should gradually lead to the comprehensive normalisation of relations between Serbia and Kosovo, in the form of a legally binding agreement by the end of Serbia's accession negotiations, with the prospect of both being able to fully exercise their rights and fulfil their responsibilities.
- 13. The *acquis* includes, *inter alia*, the objectives and principles on which the Union is founded, as set out in the Treaty on European Union. As a future Member State, we expect you to adhere to the values on which the Union is founded. Furthermore, EU accession implies the timely and effective implementation of the entire body of EU law or *acquis*, as it stands at the time of accession. The development of sufficient administrative and judicial capacity is key in fulfilling all obligations stemming from membership.

- 14. As mentioned earlier, Serbia should be in a position to take on the obligations of membership in the medium term in nearly all *acquis* fields. On the path towards accession, Serbia will need to continue its efforts to align its legislation with the *acquis* and to ensure full implementation of key reforms and legislation, in particularly in the areas of the rule of law, including reform of the judiciary and the fight against corruption, the independence of key institutions, and further improving the business environment; special attention should be given to the rights and inclusion of vulnerable groups, particularly the Roma, as well as to the effective implementation of legislation on the protection of minorities, the non-discriminatory treatment of national minorities throughout Serbia, and tackling discrimination on the basis of sexual orientation or gender identity.
- 15. Serbia has also been affected by the global economic and financial crisis, which has highlighted the interdependence of national economies both within and outside the EU. In this regard, we recall the importance of strengthening economic recovery as well as the EU's commitment to continue assisting with policy advice and financial assistance. Further efforts to, deliver structural reform, fiscal consolidation and EU-related reforms, including embracing Europe 2020, should accelerate this recovery and growth and increase competitiveness as well as improve economic governance, and help to prepare for the new surveillance procedures in the Economic and Monetary Union.
- 16. Regional cooperation and good neighbourly relations remain essential parts of the enlargement process as well. Serbia should also continue to constructively engage in inclusive regional cooperation and strengthen relations with neighbouring countries. Furthermore, progress will be measured against Serbia's undertaking to resolve outstanding issues and legacies of the past, in line with international law and relevant Council conclusions, and in conformity with the principle of peaceful settlement of disputes in accordance with the United Nations Charter, including, if necessary, the compulsory jurisdiction of the International Court of Justice or arbitration mechanisms.

- 17. Let us also recall that parallel to the accession negotiations, the Union will continue its civil society dialogue and cultural cooperation with Serbia, with the aim of bringing people together and ensuring the support of citizens for the accession process.
- 18. In conclusion, at the end of the process, it will remain up to the Member States to decide whether conditions are right for the conclusion of the negotiations, bearing in mind developments in the *acquis* since the date of the opening of negotiations, and Serbia's readiness for membership. The accession negotiations we open today will be demanding. With determination, we are confident in your capacity to bring it to a successful conclusion. We will support you in your efforts and we look forward to welcoming you as a fully-fledged member of the European Union.

#### NEGOTIATING FRAMEWORK

#### Principles governing the negotiations

- 19. The accession negotiations will be based on Article 49 of the Treaty on European Union (TEU) and, accordingly, take into account all relevant European Council conclusions, in particular the renewed consensus on enlargement agreed by the December 2006 European Council and the conclusions of the 1993 European Council in Copenhagen.
- 20. The negotiations will be based on Serbia's own merits and the pace will depend on Serbia's progress in meeting the requirements for membership. The Presidency or the Commission as appropriate will keep the Council fully informed so that the Council can keep the situation under regular review. The Union side, for its part, will decide in due course whether the conditions for the conclusion of negotiations have been met; this will be done on the basis of a report from the Commission confirming the fulfilment by Serbia of the requirements listed in point 23. The shared objective of the negotiations is accession. By their very nature, the negotiations are an open-ended process whose outcome cannot be guaranteed beforehand.

In the field of CFSP, the High Representative is responsible, in close liaison with the Member States, and the Commission where appropriate, for screening, making proposals in the negotiations and reporting regularly to the Council.

21. Negotiations are opened on the basis that Serbia respects and is committed to promoting the values on which the Union is founded, referred to in Article 2 TEU, namely the respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

Negotiations are also opened on the basis that Serbia has achieved a high degree of compliance with the membership criteria, notably the political criteria set by the Copenhagen European Council in 1993 and the Stabilisation and Association Process conditionality established by the Council in 1997. The Union expects Serbia to continue to work towards full respect of these criteria and conditions; and to ensure full implementation of key reforms and legislation, in particular in relation to judiciary reform, the fight against corruption and organised crime, public administration reform, independence of key institutions, media freedom, anti-discrimination and the protection of minorities.

The Union and Serbia will continue their intensive political dialogue. Progress across all membership criteria will continue to be closely monitored by the Commission, which is invited to continue to report regularly on it to the Council.

- 22. In the case of a serious and persistent breach by Serbia of the values on which the Union is founded, the Commission will, on its own initiative or on the request of one third of the Member States, recommend the suspension of negotiations and propose the conditions for eventual resumption. The Council will decide by qualified majority on such a recommendation, after having heard Serbia, whether to suspend the negotiations and on the conditions for their resumption. The Member States will act in the Intergovernmental Conference in accordance with the Council decision, without prejudice to the general requirement for unanimity in the Intergovernmental Conference. The European Parliament will be informed.
- 23. The advancement of the negotiations will be guided by Serbia's progress in preparing for accession, within a framework of economic and social convergence. This progress will be measured in particular against the following requirements:
  - the Copenhagen criteria, which set down the following requirements for membership:
    - the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;

- the existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union;
- the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union and the administrative capacity to effectively apply and implement the *acquis*.
- the conditionality of the Stabilisation and Association Process, which remains the common framework for relations with all Western Balkan countries up to their accession, in particular Serbia's commitment to good neighbourly relations and the strong contribution expected from Serbia to the development of closer regional cooperation, in accordance with the Thessaloniki Agenda for the Western Balkans adopted in June 2003 and taking into account the relevant Council conclusions.
- Serbia's continued engagement, in line with the Stabilisation and Association process conditionality, towards a visible and sustainable improvement in relations with Kosovo\*. This process shall ensure that both can continue on their respective European paths, while avoiding that either can block the other in these efforts and should gradually lead to the comprehensive normalisation of relations between Serbia and Kosovo, in the form of a legally binding agreement by the end of Serbia's accession negotiations, with the prospect of both being able to fully exercise their rights and fulfil their responsibilities.

Specifically, Serbia is expected to continuously:

- a) Implement in good faith all agreements reached in the dialogue with Kosovo;
- b) Fully respect the principles of inclusive regional cooperation;

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- c) Resolve through dialogue and spirit of compromise other outstanding issues, on the basis of practical and sustainable solutions and cooperate on the necessary technical and legal matters with Kosovo;
- d) Cooperate effectively with EULEX and contribute actively to a full and unhindered execution by EULEX of its mandate throughout Kosovo.

The issue of normalisation of relations between Serbia and Kosovo will be addressed under chapter 35: "Other issues" as a specific item, which should be tackled early in and throughout the accession negotiations process and in duly justified cases in other relevant chapters as set out in paragraph 38 below.

- Serbia's undertaking to resolve any border disputes in conformity with the principle of peaceful settlement of disputes in accordance with the United Nations Charter, including, if necessary, the compulsory jurisdiction of the International Court of Justice or arbitration mechanisms.
- The fulfilment of Serbia's obligations under the Stabilisation and Association Agreement, as well as Serbia's progress in addressing areas of weakness identified in the Commission's Opinion.

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- 24. An overall balance in the progress of negotiations across chapters should be ensured. Given the link between the chapters "Judiciary and fundamental rights" and "Justice, freedom and security" and the values on which the Union is founded, as well as their importance for the implementation of the *acquis* across the board, should progress under these chapters significantly lag behind progress in the negotiations overall, and after having exhausted all other available measures, the Commission will on its own initiative or on the request of one third of the Member States propose to withhold its recommendations to open and/or close other negotiating chapters, and adapt the associated preparatory work, as appropriate, until this imbalance is addressed. The Council will decide by qualified majority on such a proposal and on the conditions for lifting the measures taken. The Member States will act in the Intergovernmental Conference in accordance with the Council decision, without prejudice to the general requirement for unanimity in the Intergovernmental Conference.
- 25. The procedure as set out in paragraph 24 shall apply mutatis mutandis in case progress in the normalisation of relations with Kosovo, dealt with under chapter 35, significantly lags behind progress in the negotiations overall, due to Serbia failing to act in good faith, in particular in the implementation of agreements reached between Serbia and Kosovo.
- 26. In the period up to accession, Serbia will be required to progressively align its policies towards third countries and its positions within international organisations with the policies and positions adopted by the Union and its Member States.
- 27. Serbia must accept the results of any other accession negotiations as they stand at the moment of its accession.
- 28. Enlargement should strengthen the process of continuous integration in which the Union and its Member States are engaged. Every effort should be made to protect the cohesion and effectiveness of the Union. In accordance with the conclusions of the European Council in December 2006, stressing the importance that the EU can maintain and deepen its own development, the pace of enlargement must take into account the Union's capacity to absorb new members, which is an important consideration in the general interest of both the Union and Serbia.

- 29. Parallel to the accession negotiations, the Union will continue its civil society dialogue and cultural cooperation with Serbia, with the aim of bringing people together and ensuring the support of citizens for the accession process.
- 30. In order to strengthen public confidence in the enlargement process, decisions will be taken as openly as possible so as to ensure greater transparency. Internal consultations and deliberations will be protected to the extent necessary in order to safeguard the decision-making process, in accordance with EU legislation on public access to documents in all areas of Union activities.

### Substance of the negotiations

- 31. Accession implies the acceptance of the rights and obligations attached to the Union and its institutional framework, known as the "acquis" of the Union. Serbia will have to apply this as it stands at the time of accession. Furthermore, in addition to legislative alignment, accession implies the timely and effective implementation of the acquis, including enforcement. The acquis is constantly evolving and includes in particular:
  - the content, principles, values and political objectives of the Treaties on which the Union is founded;
  - the acts adopted by the institutions pursuant to the Treaties, as well as the case law of the Court of Justice of the European Union;
    - any other acts, legally binding or not, adopted within the Union framework, such as inter-institutional agreements, resolutions, statements, recommendations, guidelines;
  - international agreements concluded by the Union, by the Union jointly with its Member States, and those concluded by the Member States among themselves with regard to Union activities.

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This applies mutatis mutandis to the Treaty establishing the European Atomic Energy Community (Euratom) and any acts adopted and agreements concluded pursuant or within the framework of that treaty, to which Serbia shall also adhere.

Serbia will need to produce translations of the *acquis* into Serbian in good time before accession, and will need to train a sufficient number of translators and interpreters required for the proper functioning of the EU institutions upon its accession.

- 32. The resulting rights and obligations, all of which Serbia will have to honour as a Member State, imply the termination of all existing bilateral agreements between Serbia and the Union, and of all other international agreements concluded by Serbia which are incompatible with the obligations of membership.
- 33. Serbia's acceptance of the rights and obligations arising from the *acquis* may necessitate specific adaptations to the *acquis* and may, exceptionally, give rise to transitional measures which must be defined during the accession negotiations. Any provisions of the Stabilisation and Association Agreement which depart from the *acquis* cannot be considered as precedents in the accession negotiations.

Where necessary, specific adaptations to the *acquis* will be agreed on the basis of the principles, criteria and parameters inherent in that *acquis* as applied by the Member States when adopting that *acquis*, and taking into consideration the specificities of Serbia.

The Union may agree to requests from Serbia for transitional measures provided they are limited in time and scope, and accompanied by a plan with clearly defined stages for application of the *acquis*. For areas linked to the extension of the internal market, regulatory measures should be implemented quickly and transition periods should be short and few; where considerable adaptations are necessary requiring substantial effort including large financial outlays, appropriate transitional arrangements can be envisaged as part of an ongoing, detailed and budgeted plan for alignment. In any case, transitional arrangements must not involve amendments to the rules or policies of the Union, disrupt their proper functioning, or lead to significant distortions of competition. In this connection, account must be taken of the interests of the Union and of Serbia. Transitional measures and specific arrangements, in particular safeguard clauses, may also be agreed in the interest of the Union, in line with the second bullet point of paragraph 23 of the European Council conclusions of 16/17 December 2004.

- 34. Detailed technical adaptations to the *acquis* will not need to be fixed during the accession negotiations. They will be prepared in cooperation with Serbia and adopted by the Union institutions in good time with a view to their entry into force on the date of accession.
- 35. Serbia will participate in economic and monetary union from accession as a Member State with a derogation and shall adopt the euro as its national currency following a Council decision to this effect on the basis of an evaluation of its fulfilment of the necessary conditions. The remaining *acquis* in this area fully applies from accession.
- 36. With regard to the area of justice, freedom and security, membership of the European Union implies that Serbia accepts in full on accession the entire *acquis* in this area, including the Schengen *acquis*. However, part of this *acquis* will only apply in Serbia following a Council decision to lift controls on persons at internal borders taken on the basis of the applicable Schengen evaluation of Serbia's readiness, taking into account a Commission report confirming that Serbia continues to fulfil the commitments undertaken in the accession negotiations that are relevant for the Schengen *acquis*.

- 37. In all areas of the *acquis*, Serbia must ensure that its institutions, management capacity and administrative and judicial systems are sufficiently strengthened with a view to implementing the *acquis* effectively or, as the case may be, being able to implement it effectively in good time before accession. At the general level, this requires a well-functioning and stable public administration built on an efficient and impartial civil service, and an independent and efficient judicial system. More specifically, this will require the necessary capacity and structures for the sound management and efficient control of EU funds, in accordance with the *acquis*. In order to assist Serbia to improve its institutions, management and enforcement capacity, and administrative and judicial systems, including for the fight against corruption and organised crime, and to align to the EU *acquis* in this respect, the EU will provide the country with technical assistance, making full use of the available pre-accession funds.
- 38. In all areas of the *acquis*, Serbia must ensure that its position on the status of Kosovo does not create any obstacle nor interfere with Serbia's implementation of the *acquis*. Any such obstacles will be addressed in the course of the negotiations in the context of the chapter of the *acquis* concerned. As part of its efforts to align with the EU *acquis*, Serbia shall in particular ensure that adopted legislation, including its geographical scope, does not run counter to the comprehensive normalisation of relations with Kosovo.

#### **Negotiating procedures**

- 39. The substance of negotiations will be conducted in an Intergovernmental Conference with the participation of all Member States on the one hand and Serbia on the other.
- 40. The Commission will undertake a formal process of screening the *acquis*, in order to explain it to the Serbian authorities, to assess the state of preparation of Serbia for opening negotiations in specific areas and to obtain preliminary indications of the issues that will most likely come up in the negotiations.

- 41. For the purposes of screening and the subsequent negotiations, the *acquis* will be broken down into a number of chapters, each covering a specific policy area. A list of these chapters is provided in the Annex. Any view expressed by either Serbia or the EU on a specific chapter of the negotiations will in no way prejudge the position which may be taken on other chapters. Policy areas in which particularly serious efforts are required by Serbia to align legislation with the *acquis* and to ensure its implementation and enforcement will be addressed at an early stage in the accession negotiations. Also, agreements reached in the course of negotiations on specific chapters, even partial ones, may not be considered as final until an overall agreement has been reached for all chapters.
- 42. Building on the Commission's Opinion on Serbia's application for membership, on subsequent Progress Reports and in particular on information obtained by the Commission during screening, the Council, acting by unanimity on a proposal by the Commission, will lay down benchmarks for the provisional closure and, where appropriate, for the opening of each chapter. For the chapters "Judiciary and fundamental rights" and "Justice, freedom and security", interim benchmarks will also be set according to the same procedure. The Union will communicate such benchmarks to Serbia. Depending on the chapter, precise benchmarks will refer in particular to legislative alignment with the *acquis* and to a satisfactory track record in the implementation of key elements of the *acquis* demonstrating the existence of an adequate administrative and judicial capacity. Where relevant, benchmarks will also include the fulfilment of commitments under the Stabilisation and Association Agreement, in particular those that mirror requirements under the *acquis*.

- 43. Given the challenges faced and the longer-term nature of the reforms, the chapters "Judiciary and fundamental rights" and "Justice, freedom and security" should be tackled early in the negotiations to allow maximum time to establish the necessary legislation, institutions, and solid track records of implementation before the negotiations are closed. They will be opened on the basis of action plans to be adopted by the Serbian authorities. Screening reports to be prepared by the Commission for these chapters will provide substantial guidance, including on the tasks to be addressed in the action plans, which will constitute the opening benchmarks. Where justified by exceptional circumstances arising during the screening process, the Council or the Commission, each in accordance with their respective roles, may determine that the action plans should include measures to address the identified shortcomings within a specific timeframe, including where necessary as a matter of urgency. Once the Council is satisfied, on the basis of an assessment by the Commission, that the opening benchmarks have been met, the Council will decide on the opening of these chapters and lay down interim benchmarks in the EU opening positions. These interim benchmarks will specifically target, as appropriate, the adoption of legislation and the establishment and strengthening of administrative structures and of an intermediate track record and will be closely linked to actions and milestones in the implementation of the action plans. Subsequently, the Council will lay down in an interim position closing benchmarks requiring solid track records of reform implementation.
- 44. The Commission will keep the Council duly informed and report to the Council twice yearly on the state of advancement of negotiations under the chapters "Judiciary and fundamental rights", "Justice, freedom and security". Where problems arise in the course of negotiations under these chapters, the Commission may propose updated benchmarks throughout the process, including new and amended action plans, or other corrective measures, as appropriate. In this respect, any measures to adjust pre-accession assistance may only be taken in accordance with applicable rules and procedures.

- 45. As regards the issue of the normalisation of relations between Serbia and Kosovo, which should be addressed as a specific item under chapter 35 "Other issues", similar procedures as set out in paragraphs 42, 43 and 44 will apply mutatis mutandis, with a particular focus on the setting and updating of interim benchmarks, including to take into account developments in the normalisation of these relations.
- 46. The Commission and the High Representative will monitor closely and continuously Serbia's efforts towards normalisation of its relations with Kosovo and report as appropriate, and at least twice yearly, on this issue, dealt with under chapter 35, to the Council.
- 47. Where negotiations cover a considerable period of time, or where a chapter is revisited at a later date to incorporate new elements such as new *acquis*, the existing benchmarks may also be updated.
- 48. Serbia will be requested to indicate its position in relation to the *acquis* and to report on its progress in meeting the benchmarks, including by providing reliable and comparable statistical data on reform implementation as required. Serbia's correct transposition and, where appropriate, implementation of the *acquis*, including effective and efficient application through appropriate administrative and judicial structures, will determine the pace of negotiations.

49. To this end, the Commission will closely monitor Serbia's progress in all areas, making use of all available instruments, including on-site expert reviews by or on behalf of the Commission, and the dialogue under the Stabilisation and Association Agreement. The Commission will regularly inform the Council of Serbia's progress in any given area in the course of the negotiations, and in particular when presenting draft EU common positions. The Council will take this assessment into account when deciding on further steps relating to the negotiations on that chapter. In addition to the information the EU may require for the negotiations on each chapter and which is to be provided by Serbia to the Conference, Serbia will be required to continue to provide regularly detailed, written information on progress in the alignment with and implementation of the *acquis*, even after the provisional closure of a chapter. In the case of provisionally closed chapters, the Commission may recommend the re-opening of negotiations, in particular where Serbia has failed to meet important benchmarks or to implement its commitments.

### PROCEDURE FOR AND ORGANISATION OF THE NEGOTIATIONS

## 1. <u>Chairmanship</u>

In accordance with the practice in bilateral negotiations between two delegations, each led by a head, the question of electing a President of the Conference does not arise.

The practical work involved in chairing meetings will be performed by the head of the Union delegation in his capacity as head of the host delegation.

## 2. Frequency of meetings at ministerial level and deputy level – setting up of working parties

It is planned that there should be at least one meeting per six month period at ministerial and deputy level, on the understanding that the frequency could be adjusted if this were felt necessary.

The negotiations will remain centralised at ministerial and deputy level. The setting up of working parties should not be envisaged except to meet objective requirements of the negotiations. Any such working parties will operate under the authority of the deputies, on the basis of explicit terms of reference and in accordance with a specific timetable.

### 3. <u>Venue for the meetings</u>

Meetings will be held in Brussels, but during April, June and October any ministerial meetings will be held in Luxembourg.

#### 4. Organisation

### (a) Secretariat

Conference secretariat services will be provided, under the authority of the Secretary-General of the Council of the European Union or his representative, by a team consisting of officials of the General Secretariat of the Council and officials appointed by the delegation of Serbia.

#### (b) Operating expenses of the Conference

Each party will bear its own travel and subsistence expenses and also the salaries of staff who are put at the disposal of the Secretariat.

The operating expenses of the Conference (rents, office furniture and supplies, telecommunications, interpreting, translation, auxiliary staff recruited for the Conference, etc.) will be met by advances made by the Council of the European Union.

These expenses will be entered in the Council's budget under a special budget heading.

The General Secretariat of the Council will submit, as appropriate, an annual financial management report to the Conference on the operating expenses. These expenses will be divided among the participants in accordance with procedures to be mutually agreed.

### (c) <u>Preparation of meeting documents</u>

Without prejudice to other special documents which the Secretariat might be asked to draw up, the following arrangements have been adopted on the understanding that they could, if necessary, be modified in the light of experience.

## (d) Ministerial meetings

Preparation, after each meeting, of a summary of conclusions, to be finalised by the deputies on the basis of a draft produced by the Secretariat and submitted to the next ministerial meeting for formal approval.

## (e) Meetings at deputy level

- Preparation of a summary of conclusions after each meeting.
- Preparation of reports for submission to ministerial meetings, if necessary, on the basis of drafts produced by the Conference Secretariat.

# (f) Working parties

- Preparation of reports for the deputies on the basis of drafts produced by the Conference Secretariat.

#### PRELIMINARY INDICATIVE LIST OF CHAPTER HEADINGS

(Note: This list in no way prejudices the decisions to be taken at an appropriate stage in the negotiations on the order in which the subjects will be dealt with.)

- 1. Free movement of goods
- 2. Freedom of movement for workers
- 3. Right of establishment and freedom to provide services
- 4. Free movement of capital
- 5. Public procurement
- 6. Company law
- 7. Intellectual property law
- 8. Competition policy
- 9. Financial services
- 10. Information society and media
- 11. Agriculture and rural development
- 12. Food safety, veterinary and phytosanitary policy
- 13. Fisheries
- 14. Transport policy
- 15. Energy
- 16. Taxation
- 17. Economic and monetary policy
- 18. Statistics
- 19. Social policy and employment
- 20. Enterprise and industrial policy
- 21. Trans-European networks
- 22. Regional policy and coordination of structural instruments

- 23. Judiciary and fundamental rights
- 24. Justice, freedom and security
- 25. Science and research
- 26. Education and culture
- 27. Environment and climate change
- 28. Consumer and health protection
- 29. Customs union
- 30. External relations
- 31. Foreign, security and defence policy
- 32. Financial control
- 33. Financial and budgetary provisions
- 34. Institutions
- 35. Other issues

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