

Brussels, 12 October 2011

Key findings of the Opinion on Serbia

The Opinion on the European Union membership application of Serbia is part of the 2011 Enlargement package adopted by the European Commission on 12 October. The Commission concluded to recommend for Serbia to become a candidate country for European Union membership and to recommend that the country will be ready to start accession negotiations as soon as further good progress is made in one key area.

Political criteria

Serbia has made significant further progress in meeting the political criteria. Serbia has a comprehensive legal and institutional framework for the rule of law and the protection of human rights and minorities, which overall corresponds to European and international standards. Key pieces of legislation were adopted in recent months in line with European standards in the areas of electoral law, financing of political parties and relations between the parliament and independent regulatory bodies. A far-reaching judicial reform has been undertaken. A review process, meant to address initial shortcomings in the re-appointment procedure for judges and prosecutors, is underway. The legal and institutional framework for the rule of law is comprehensive, including in the areas of the fight against corruption and organised crime where initial results were achieved. There are however a number of gaps in the implementation of this legal framework on which Serbia will need to build up its efforts.

Regarding the conditions of the Stabilisation and Association process, Serbia must be commended for having brought to a fully satisfactory level its cooperation with ICTY, with the arrest and handovers of the last two remaining ICTY indictees, Ratko Mladic and Goran Hadzic. In total, Serbia has delivered on all 46 ICTY requests for handing over indictees. Serbia has taken an increasingly active role in regional cooperation and in fostering lasting reconciliation in the region. Following first results achieved in the dialogue with Kosovo*, it is expected that Serbia re-engages and implements swiftly agreements reached to date. Serbia will also need to achieve further significant progress in improving relations with Kosovo and implementing pragmatic and sustainable solutions that will facilitate the lives of the people.

Economic criteria

Serbia has taken important steps towards establishing a functioning market economy. Serbia has achieved a broad political consensus on the fundamentals of a market economy, backed up by a track record on implementation of economic reforms. It has been able to maintain macro economic stability during the global economic crisis. The free interplay of market forces has been developing. Economic integration with the EU is high.

* Under UNSCR 1244/1999.

However, a number of structural weaknesses persist which Serbia will need to address to be able to cope in the medium term with the competitive pressure and market forces within the Union. The business environment continues to be constrained by uncertainty. Foreign direct investment (FDI) started to recover in 2011. Against a gradual economic recovery, unemployment remains high and the social situation is marked by strife. The informal economy remains a big challenge.

EU Legislation

Serbia has further progressed towards aligning its legislation to European standards, particularly in customs, taxation, economic and monetary union, statistics, enterprise and industrial policy and company law. The analysis of Serbia's progress to align and implement the EU *acquis* illustrates Serbia's overall good administrative capacity and potential to assume the obligations of membership in medium term.

Despite recent progress in a number of areas, additional efforts are needed to align with the EU legislation and to implement it effectively in the medium term as regards freedom of movement for goods and workers, services and capital, public procurement, competition, financial services, intellectual property, information society and media, food safety, transport policy, energy, social policy and employment, Trans-European networks, regional policy, consumer and Health Protection.

Serbia faces major challenges in implementing and enforcing legislation. Although the administration is overall well developed and the judiciary is undergoing a significant overhaul, efforts to further strengthen the capacity to implement and enforce the EU *acquis* are necessary. Considerable and sustained efforts will be needed in order to assume the obligations of membership in the medium-term in the areas of environment, agriculture and rural development, justice, freedom and security and financial control.

EU-SERBIA: KEY DATES

29 April 2008: Signing of the Stabilisation and Association Agreement (SAA)

19 December 2009: Entry into force of the Visa liberalisation with Serbia.

22 December 2009: Serbia applies for EU membership

1 February 2010: The Interim Agreement on Trade and Trade-related issues between Serbia and the EU (part of the SAA) enters into force

14 June 2010: Council decides to start the ratification process of the SAA

25 October 2010: Council requests Commission to submit an Opinion on Serbia's membership application

For more information:

http://ec.europa.eu/enlargement/press_corner/key-documents/reports_oct_2011_en.htm