

MEMBERSHIP OF THE EU: A CATALYST FOR ROMANIA
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Thank you very much Mr. Idu, Ambassadors, Ladies and Gentlemen it's a pleasure to be here and to address you under the auspices of the European Institute of Romania. Let me congratulate the European Institute on its work, it is an organization which the European Union with the help of Phare funded. You have a very important task in Romania, to conduct research, to analyze the consequences of accession for Romania and also to analyze what Romania wants to do in Europe. These are two essential things which you, Romanians, must do. We can help you, we can advise you, but it's only you that can think about and decide what you want to do in Europe.

In all the introduction that was made on me, one of the things you didn't mention is that my father was a protestant pastor and when I was young I spent every Sunday morning in church, listening to his ceremonies and I know that all good and all the presentations come in three parts.

And that's why I'm going to speak to you a little bit about the past, the present and about the future.

First, I want to make some reflections with you on extending the European Union, the process of accession: What is the European Union? What do you need to do to join? And these remarks will concern not only Romania, but the other candidate countries which are involved in the process.

Secondly, I want to focus on the situation of Romania, your place in this European process, your strong points, your weak points and what's to be done, what you can do and what we, the European Institutions and the Member States can do to help you.

Finally, I'm going to look ahead at the coming years, concerning Romania's accession I'm going to tell you what I see when I look in my crystal ball and I want to speak a little bit about the longer term future of Europe on which a big debate is now engaged and in which Romanian representatives are participating.

First, I want to reflect with you on what is the European Union, what is this extraordinary organization, which you want so much to join. I want to stress that it's a voluntary framework for political and economic integration and I stress first of all the word voluntary. I can assure you that we, in Brussels, aren't looking for new members. Countries come to us of their own free will, because it's voluntary system. It's not the first effort of European integration. The Romans made their own European integration, including this country. Charles the Great, he had a European Empire. Napoleon and Hitler, they both had European policies, but all the previous efforts were based on force and not on free will. That's the essentially different aspect of the European Union. Political and economic integration is a very important combination. The European Community began very much at an economic level, it began with the Steel and the Coal

Community and the object of those who founded the European Community, which we call sometimes our founding fathers, their object was to achieve a degree of Economic integration that would lead next to political integration and above all, to avoid wars, because it was the experience of nationalism and the two so called “World Wars” in the 20th century, that were really European civil wars, which lead the far-sighted Europeans to set up the European Community. And also the wish that has become more and more apparent of the nation states of Europe to regain their sovereignty. Our countries in Europe, even my country, Britain and even the biggest Member State, Germany, we are swallowed by world standards. It’s only by speaking together with a common voice that we can regain control over number of important things.

First of all we have a series of Eurowide policies – most of the European common policies are not foreign affairs at all – they are domestic policies, because so many of the domestic problems we faced can’t be solved in one country alone. They are transnational problems, here I am not talking only about questions of environment, I’m talking about the economy. We have to act together in order to manage our economies.

So, the first way of regaining our sovereignty is by cooperating in domestic policies. The second important objective is to speak with one voice. This is necessary in an ancient globalization when so many factors are affecting us from all over the world. It’s also important in a period when our American partner has become a dominant superpower. We share many values with the Americans, we are members of NATO and you, too, will be joining NATO. But our interests are not always the same as their of our American friends. Sometimes our approach is different. And therefore, in a period when the United States are embarked on a more unilateral or self-interested set of decisions, it’s necessary for us, Europeans, to think an act and speak together about our interests.

Next, I want to remind you that in the European Union, we have our sacred text, we have our Bible, that’s the Treaty, and we have our Prophets. And one of our Prophets was Robert Schuman, a remarkable Frenchman. He was born in Alsace, that part of Europe which was at different times in Germany and in France. He had a personal experience about how problems are caused by wars and he was a remarkably far-sighted man. And you probably know that the big European celebration on the 9th of May which I observed also here in Romania very actively is the celebration of the famous Declaration of Robert Schuman which he made setting out the lines for the European Integration. He was also a very devote man, he was a very strong churchman and I believe it is quite a strong movement even to make him into a saint. We certainly call him in a familiar way in Brussels, we call him *Saint Schuman*. I’ve given you this quotation from Schuman because I wanted to show you that, although the European Community was set up originally with six members over there in the West of Europe, some of them who are involved could see that it was a wider movement, not only to do with reconciling France and Germany, but a wider vision of reuniting Europe. And already, nearly 40 years ago, Rober Schuman wrote: *We must build the United Europe not only in the interest of the free peoples, but also in order to be able to welcome in it the peoples of the Eastern Europe who, freed from the repression under which they lived, will want to join and seek our moral support.* And that’s what happened after the events in ’89 and also here in Romania later. The peoples of Central and Eastern Europe who’d liberated themselves from totalitarian system turned immediately to the European Union for recognition of

their return to the European family. Never before, have we had so many candidate countries trying to join the European Union. In the past, the most we had at only one time was four countries, now we have 14 countries. Here I show you who these candidate countries are. Starting in the north, we have the three Baltic states of Estonia, Latvia and Lithuania, which for a time were part of the Soviet Union, and I draw your attention to that strange place called Kaliningrad, which I will return to later, then we have the Visegrad countries, Poland, Czech Republic, Slovakia and Hungary, Slovenia, the only country of ex-Yugoslavia, which at the present moment is an official candidate, Romania, Bulgaria, Turkey and of course the two islands of Malta and Cyprus. And eventually with these 13 countries, we are destined to move from a European Union of 15 to 28. That won't be the end of the story. There are other countries who intent to apply for membership or to renew their application. I begin with our friends in the CEFTA countries, Norway has twice applied for membership, has twice failed to join because of a negative referendum. I'm confident that one day, when the Norwegians are ready, they will join us again. As we say in English, "3rd time lucky". It's interesting also that in Island, there is an active debate about applying to join the European Union. We mustn't forget Switzerland, the last great island of Europe, which one day I hope, like the Austrian neighbors, will join us. And then, in ex-Yugoslavia in the western Balkans, there are five states who fully intent one day to post their application for membership and which have a European vocation. After all, they lay between us, in the European Union, you in Romania and the Member Greece. So, here we have a scenario where it's not just EU 28, we could easily become EU 36. And it's still more, there are the other countries to the East, your neighbors, for example, Ukraine, who would very much hope for us one day to give a signal that we're ready to take them into our club. From time to time, even the Russians talk about membership of the European Union. I have to say that from my personal point of view Russia joining the EU, if you take account of the population and the geographic extent of the Russian federation, that's more like the European Union joining Russia.

But that's another story. I want to remind you that the reaction of the European Union to your wish to join us at first it was hesitant. You have to remember that in the early 90s we were still digesting the consequences of the collapse of the Soviet Union, we were still digesting the reunification of Germany. So, the initial response was hesitant, but then, at the historic meeting in Copenhagen, in June 1993, the leaders of the European Union made a solemn promise that those countries of the Central and Eastern Europe who wish to join us, shall join us. This was a promise we never made before, we never made such a promise to Austria, Finland or Sweden and, in the case of this promise, we made it even before you applied for membership. And I want to assure you it's a promise which the European Union intents to honor. When we made this promise we also, for the first time, made explicit the conditions for joining the European Union, because we said that applicant countries would join when they're ready. And we defined the criteria for membership, political and economic criteria. I think it's quite important that the political criteria are a pre-condition even for opening negotiations. That's the reason why we haven't opened negotiations with Turkey yet. Apart from all the other problems of Turkey, we consider that from the point of view of human rights and protection of minorities, Turkey doesn't yet even conform to the political criteria for membership. The

3rd condition refers to that extraordinary thing that we call the *acquis*. In English we haven't found a way of translating this French word, so we, too, call it the *acquis*. It means the policies, the rules of the European Union, which are important for you and the other Central European countries are a blue print for the development of your political economy. How have we approached this accession process? I want to remind you that there're essentially two tracks in preparing for membership.

There is the preparation on the ground, here in Romania, in Hungary, in the Baltic states and all the applicant countries, a preparation which we help with a pre-accession strategy and our financial aid. This financial aid is not charity, it's financial aid that we give to help you to make far-reaching reforms, economic reforms and also administrative reforms in your system of governance. That's the first track of our accession process, and is the most important track.

The second track is the negotiations in Brussels and the famous 31 chapters. Of course negotiations are important, but I always remind my friends in the applicant countries that it's not by clever negotiations in Brussels that you will be tested on your readiness for membership. You read about them in the press perhaps much more than you read about the preparations on the ground. But, it's the preparation here on the ground that will determine how and when you join the European Union. I always warn against too much emphasis on these chapters; the number of chapters opened or closed has become like a football goal. We shouldn't give so much importance either to the chapters. And I noted with pleasure that one of your leaders, Mr. Nastase, said very clearly that the accession preparation of a country shouldn't be measured by the number of chapters opened or closed.

Why all these reforms, why do we, in Brussels, why do the Member States always talk to you about all these reforms that you need to make? It's simply that in order to function as a good member of the European Union, you, like the other countries of Central and Eastern Europe, have to make profound changes, both at your economy and your administration, but also you have to complete the transition. This is a society change which you are making with our help, a change which you need in any case, independently of the European Union, in order for Romania to function in the 21st century, you need a modern economy and a modern administration. You need external pressure, you need aid from us to help you do it, but it's only here, in your society and your politics, that you can make the change. These reforms are also on your part, a European choice, after you abandoned the socialist-communist system, you could have followed other blueprints, maybe an American blueprint, maybe a far-Eastern blueprint, but you made the European choice, in taking on our systems, a political and economic framework and also our legal framework. As I said in my opening remarks, the EU is a form of integration where we depend on free will and not force. We don't have an army and a Police force in Brussels to come and put things write when countries don't obey the rules. We have a Treaty and we have a Court and we attach a great deal of importance to the correct application of the European Union's law. We have an European Court in Luxembourg which deals not only with relations between states, like a typical international Court, but, more important, between the relations of individuals and states, because, it's in the European Court, that private citizens, as well as organizations, can ensure that they obtain their legal rights in Europe.

I'd like to say a word also about NATO.

Plainly, the criteria for membership of the European Union are not are not identical with those for NATO, but there is a large coincidence particularly when it comes to the political criteria. It's clear that the effort you put into joining the European Union reinforces your chances which I think are good, of joining NATO. Of course, it's easier to join NATO than the European Union. I, sometimes, have to explain to my American friends that is difficult to join the European Union, and, for example we wouldn't admit the United States, even if they applied. We wouldn't admit them for the simple reason that they still have the death penalty in their country, which is not in conformity with our political criteria for membership of the European Union. But it's just to say that it's not a surprise that NATO, in many ways it's easier than joining the European Union.

What's the progress in general in Central and Eastern Europe with these reforms?

Well, we think that there's been a remarkable success in the last five to 10 years. Changes had been made for which the credit must go to the peoples and the governments of your country and the other countries. We believe that the conditionality, the leverage of membership of the European Union has been a plus factor. We think you need to do much better. Anyway, in the light of this progress, at the recent meeting of our heads of government in Seville, we defined the aims of the EU concerning enlargement. And as explained to us earlier, the aims are to conclude our negotiations by the end of this year, with those countries that are ready, up to ten countries, but it's not guaranteed, they still have to make some progress even those others; secondly, to sign a treaty with these countries in the spring of this year, so that as new members they can take part in the next elections for the European Parliament in 2004.

I'd like to make a word of congratulation here to the Spanish presidency, which made excellent progress in the first six month of this year and to wish good luck to the Danish presidency . They will certainly need it.

The Irish government is planning a second referendum in the autumn , and that will be an important moment. We hope, I'm reasonable optimistic, that the Irish people will say 'yes' a second time, but it's not guaranteed. And, if you look at the experience of the 2nd Irish referendum, you'll see that the 'NO campaign' – they had a very good slogan, the Irish 'NO campaign' said: if you don't know, vote 'NO'. I'm not sure how it translates into Romanian, but I think you understand. And that, if I may say, is a certain lesson for your here in Romania. Your people have to know about the European Union, if one day you want them to say 'YES'. So, I think that the Irish referendum will be an important milestone, it may be that the Treaty of Nice is not, strictly speaking, a legal pre-condition for enlargement, but certainly is a political pre-condition and there will be a critical period if the Treaty of Nice is blocked. There's also the question of Cyprus, we want to use this extraordinary window opportunity between now and the end of the accession negotiations to encourage the two communities in that divided island to live together peacefully. We haven't found that solution yet, the European Union encourages the United Nations efforts , but I'm optimistic that we can find a deal by the end of the year. Even if we don't, we will still enlarge the European Union, if necessary, we will be obliged to take in even a divided Cyprus.

Let me turn to the situation of Romania and Bulgaria. And I want to read to you, I want to quote to you the interesting things that the meeting of the European leaders in Seville recently decided. In Seville, in June, they said Bulgaria and Romania have achieved considerable progress over the last few months. The European Council encourages you to pursue your efforts and reiterates its commitment to give full support in preparation for accession. An up-dated roadmap and a revised and enhanced pre-accession strategy should be adopted in Copenhagen, that's in the middle of December for the candidate countries still engaged in negotiations. An increased and a pre-accession financial aid could also be contemplated and furthermore, if a current place is maintained, a more precise timetable could be set for your accession process by the end of the year. I think these are optimistic words that you will say that the last two points, the financial aid and the timetable for accession have question marks. Because they depend also on the efforts that you will make.

Of course, you, Romanians, have a place in Europe. You know that, we don't have to tell you and your own statesman, Titulescu, said: *The Future of Europe is anchored in Romania, as strong as Romania is anchored in European values and in the European spirit.* And Mr. Iliescu, when he was in Brussels recently, in answer to the question:

Why do you want to join the European Union?, gave a very clear and convincing answer. *...Because it is a large project to ensure peace in a concrete and effective way and the basis of a commonly shared system of values.* Without ambiguity, your place is in Europe. You know it and we accept it. But of course, those are good declarations and we have to look at the reality.

So, I'm going to reflect with you briefly on the strong points of Romania and also later on the weak points.

I'm going to begin with the strong points because perhaps we spend too much time telling what's wrong and it's time to tell you that something is good in this country. And in particular your people are good. Human resources are, by far, the most important asset which you have: well educated, well-trained, motivated people. Of course the level of economic development is much too low, is much lower than one would normally expect with a degree of intellectual and education attainment that you had. You may be poor, but you're certainly clever. We want the good Romanians to stay in this country and to help your country. You have excellent universities: we all heard of Iasi, Cluj and Bucuresti, but you need to invest more in your educational system. Then, there's economic progress. Here record in the last year or so has been positive. Your national product is growing rapidly, you reduced your inflation and your monetary and budgetary policies are on track. So, there are some strong points, and they're very good.

Now, for some of the not so strong points. Of course, you must have some more economic reforms. The slow pass of privatization is still a disappointment and a source of concern for us. Despite the successful affair with Sidex, I think I'm right in saying that only seven other large companies have been privatized. In addition, the inflation, although it's been reduced, is still far too high. 29% for last year, I think the target for this year is 22%, but that still is something like twice as high inflation as the other

candidate countries, so you have to do better. You have to improve the difficult environment for business. If you want capital, if you want foreign investors to come here, then you have to provide a much more friendly business environment with transparency and proper respect of laws and commercial practice. Last, but not least, you still have big problems in the state sector with the unpaid bills and the need to get wages on a better control. And there are more problems such as the lack of progress in governance, the need to reform your public administration; there's the deep problem of corruption which of course exists in other countries but which is certainly a problem here. And there is also the question of the independence of the Judiciary. These are quite difficult problems and it's quite a difficult situation and, preparing for my visit here, I read a very interesting report of an independent expert. This report said that in Romania, the transition is far from complete. The centralized structures of the command economy have only been partially dismantled.

The privatization process launched in 1991 and reaffirmed in 2000 still remains incomplete. State enterprises are a major drain of the economy and they drive corruption. Successive governments have had little success in creating the transparent predictable procedures necessary to attract foreign investment. Inconsistent bureaucratic behavior still prevails. To set up a business, more than 20 separate permits are required from various state bodies. I know you're doing much to try and help that you set up the single office to do with the problem of permits, but I wanted to quote you the conclusions of an independent expert on the lack of progress it's been made.

In addition, you need to take more action in key areas of the European Union's acquis. First of all, agriculture is still a very important part of our legislation and is an extremely important part of your economy. I think that 42% of your population are depending, in one way or another on agriculture, the size of your farm holdings is extremely small, 0,7 hectares average size of holding and you have to act to improve your structure. You have to do more in the field of rural development. For the environment you've inherited terrible problems from the previous regime. We want to help you to make the investments to avoid these problems in the future, to avoid the tragedy in Baia Mare, to deal with the difficulties at Ploiesti with the oil. You need to do so much more to bring your problems of water ground and air pollution up to European standards. Of course, nobody in the European Union is perfect. None of our Member States comply 100 % with all the rules and the regulations, but I have to say that you and Bulgaria have a long way to go to catch up with even some of the less perfect Member States.

Let's turn to the question of the future. What's to be done?

We, in the European Union, can and will help you. First of all, with encouragement. This prospect of membership of the European Union is extraordinary important in helping your politicians, your parties, your parliamentarians to make the reforms. Secondly, we can give you financial aid. At the present time, the financial aid from the European Union is representing 1,7 % of your GDP and 6 % of your national budget. And of course we are not the only organization in this business. The others can help you too: the IMF, the World Bank. You need external help for you to make the reforms and the external help is desirable and necessary, but it's not sufficient. We like to think, and that's why I chose

the title of me talk that the European Union is a catalyst. My friend Jonathan Scheele, who is, in fact, a scientist, explained to me this morning what is a catalyst. So, I will give you the official definition. A catalyst is a chemical substance, which you add to a reaction, to accelerate that reaction, while the substance itself remains unchanged. I think, in this case, the substance which remains unchanged is the European Union, but even that's not strictly true, because when you join us we will certainly change. Jonathan also explained to me the chemical reactions work better and faster when you apply heat. So, you certainly have some heat here in Romania and you need to apply it.

I want to say very simply in concluding these exultations that only you can make the reforms, we can't do them for you and what the European Union is looking for is progress on the ground not on paper. You have to do this terrible difficult task of translation the words into the realities.

Now, I'm going to look more generally towards the future. Very briefly, as you know, we have a scenario, where we will, hopely, conclude negotiations this year with up to ten countries. Next year, a Treaty of Accession will be ratified, which require the assent of the European Parliament, and the ratification process is in the Member Countries of the European Union. Up to now, I touch wood, none of our Member States have committed themselves to a referendum on enlargement, but in the new Members there're will be referendum in any case. So, we will expect in the course of 2003 a series of interesting events when the people of the applicant countries will have the chance to say 'Yes or 'No'. And then, in 2004, we hope for the first accessions.

In this process, public opinion is very important and that's why we tend to say now in Brussels that in addition to the two tracks in preparation for membership that are already mentioned, the third track in the accession process are our efforts to communicate with the public in each of the applicant countries.

In the Member States, too, we have to undertake lot more explanation of this very big enlargement which we're undertaking. In the Member States, there is positive support, 50 % of the people in the existing Union say they are in favour of enlargement, but there are doubts and questions. The average in the 13 applicant countries, when faced with the question 'Would you say 'yes' or 'no' in the referendum?', 65 % on average say it would be 'yes'. And here, in Romania, as many as 85 % say it would be 'yes'.

We've developed in the European Commission this communication strategy, which we conduct in 15 countries in the European Union, and in 13 applicants, but it's not only the European Commission, the European institutions that have an important role in explaining Europe, but the governments of the Member States and the governments of the applicant countries and political circles, they are the ones that have to explain to the people why you want to join and what the advantages are. Here, in Romania, our Delegation and our Information Centre have made very important efforts to provide for better communication about Europe. And our meeting here today is one example of that. But we want to do better, We want to do more in Romania. In Romania, we want the national authorities to launch a public information and debate on Europe. We also want more information not just about financial questions, the European Union is not a money machine, it's set of policies, so we want much more about the policies of the European Union. Finally, we want a better information campaign outside of capital. In Bucharest,

there's a good level of knowledge about the European Union, but, outside, in the rural areas, it's much less understood.

Last, but not least, I think you, Romanians, should reflect also on the need to explain your country to the existing Member States. You should sell yourselves better. Romania is not well enough known in the West. It's Europe's undiscovered treasure and I think you could do a lot more to promote yourselves. And that's your job, not ours, in Brussels.

Let me turn to the prospects for you. As I've said, there's good progress in your accession negotiations, with 12 chapters provisionally closed, 14 chapters opened and only 5 chapters not yet opened and in the second half of this year, we expect with our Danish friends to be able to open all the Romanian chapters and to close as many as possible.

In 2003, first of all under Greek presidency and then under Italian presidency, we expect more progress, but I'm not going to make any predictions about that here today.

What I want to do is to address your fears, which I think you sometimes have and which you sometimes express, that perhaps your country is not only held behind, but maybe left out, that perhaps after the next wave of enlargement, there will be long delay and even a blockage in your progress towards joining the European Union. Here, I would like to reassure you that the Union has repeatedly referred to the inclusive nature of this process and that in opening negotiations, each of the applicant countries, the 12 countries with whom we are in negotiations, has subscribed to the inclusive nature of the process.

I am going to quote to you the language which is used, which is particularly interesting for your country at the opening of each negotiations with Hungary, Poland the Czechs and all the others. We said solemnly that the negotiations which are launched, are part of a wider accession process comprising the ten Central and East Europe applicant states. *This accession process is comprehensive, evolutive and inclusive. All states within it are participating on equal footing and all are destined to join the European Union on the basis of the same criteria and depending on their individual progress.* And this is something which is part of the acquis, it's something to which all the prospective members have subscribed. So, I want to give you a reassurance that you will not be left at the roadside. I referred, when I quoted the conclusions of Seville, to the possibility of a more detailed roadmap and improved financial assistance. And we're actively considering and preparing what proposals we could make at the end of the year in Brussels. I'm not going to unveil any secrets, but I'm simply going to say this. As far as a future roadmap is concerned, it won't be the same as the roadmap up to now, which simply defined a timetable for the chapters and negotiations. The new roadmap will also make a link between the negotiations and progress on the ground. It will bring together the two tracks of the accession process. As regards increased financial assistance, I'm simply going to say that more financial assistance will depend on success in dealing with the problems that you have in absorbing the present financial assistance. That means you have to improve your capacity to program the assistance, your technical and financial management and the fulfilment of the conditionality of these programs.

I come to the question of the date of your accession. This morning, at breakfast with Jonathan Schelee, I looked in my crystal ball and I saw in my crystal ball that there were some indications of the date of your accession. My crystal ball said that Romania will

join the European Union on the first of January. But it didn't tell me more than that. It said the rest is for the Romanian people and it depends on you.

Very briefly I conclude with some broader reflections about the enlarged European Union.

When new members knock on the door, when so many new members knock on the door, we, existing members are forced to ask ourselves some of the basic questions which we stopped discussing. We got preoccupied with day-to-day affairs, but when we face the arrival of new members, we address the three big questions:

First, What do Europeans want to do together? Which are the policies we could do together?

Secondly, 'How do we want to do those things?' Through what institutions, through what Constitution do we want to make Europe? And more and more these days, people ask the question 'With whom, meaning where will it end, this never-ending enlargement process, what are the future frontiers of the enlarged European Union?'

Let me reply briefly to some of these questions.

First of all, concerning the policies. I think that regarding the consequences of enlargement for the policies of the European Union, the impact is sometimes exaggerated. You don't bring new problems. You have all the problems already. You aggravate and intensify some of the problems, but you're not going to change the policy landscape of the European Union. There are two areas where the enlarged Union and already the existing Union must think and make fresh thinking about our policies. First is the field which we call 'solidarity policy' or 'cohesion policy', our efforts to ensure that the poorer Member States catch up with the richer Member States. With the arrival of a large number of countries with a lower level of GDP per head, we will be faced with these challenges in an even more accurate form. We need economic convergence in the Union. We need to ensure that the poorer members have a higher rate of growth than the average. Otherwise, we shall have permanent social and economic gaps within our organisation, which will make difficult for us to achieve our political aims.

The second big policy challenge is in the field which we now begin to call 'proximity policy'. By that we mean the policy of the enlarged European Union towards its new neighbours. As we extend to the East and the South, we come into contact directly with new neighbouring countries and we have and we need to re-think and re-define our policies to them.

I would like to say that you, in Romania, are particularly well-qualified in defining these policies. You have, in your history, important times when you played a key role in this area of foreign policy. You have an important task in the Black Sea region, your neighbours in the Balkans and relations with Ukraine, Moldova and also Russia. I mentioned to you when I showed you the map, this extraordinary question of Kaliningrad, which you've probably read about in the press. Kaliningrad is an oblast of the Russian Federation, is an integral part of that country, but it will be surrounded by Latvia and Poland by the European Union when they join. And that poses an acute question of the respect of the Russian citizens passing from Kaliningrad to the main part of Russia, the respect of our European Union law, on the free movement of persons and Schengen. We are insisting that our Russian friends respect rules. But it won't be the last big problem that we have to

discuss with Moscow and we can expect the enlarged European Union to have a much more adult and balanced relationship with the Russians than we did before.

We also have a debate about our institutions. We're discussing the questions of governance. We want to ensure that the widening of the European Union takes place with a deepening, personally I don't believe that there's an opposition between widening and deepening, but I have a real concern that with 25 and more actors instead of 15, our decision-making system may be in difficulty. So, that's why there's a Convention on the Future of Europe, which is now going on, there are Romanian members participating in that and it would lead in 2004 to another Intergovernmental Conference, which, we hope, will set new reforms and a new Constitution for Europe.

I want to finish by placing these reflections in a historical perspective. And I quote to distinguish British Scholar who wrote recently that Europe has had a name for 25 centuries, but is still in the design stage. Now, for the first time ever in European history, *most states on the European continent are freely committed*, uses the word *freely*, please note, *freely committed to designing by consent a non-hegemonic order for most of Europe*. And the word non-hegemonic, excuse the technical jargon, the word non-hegemonic is very important. One of the magic things about the European Union is that we've succeeded in reconciling the interests of the big countries with the small countries and even the very small countries. We don't have a boss in Europe, we have a system of cooperation between countries. But as our scholar said, the small remaining problem is how to do that. How to do it is a question which you will help us to answer.

And I simply want now to conclude by reminding you that for us, in Brussels and for the Member States, enlarging the European Union means extending peace, prosperity and security, extending our zone to include you. It means reuniting the continent, it means putting forever in the history books the divisions that followed Ialta, and it means building Europe together with you. It closes a chapter in our history, we talked a lot about chapters in the negotiations, but this is the real chapter, it's the new chapter of Europe's history in the 21 century. Romania will be a member of the European Union and it's your task to make it happen soon.

Thank you.