

## Take advantage of the opportunities of an enlarged European Union

“The EU is a continent-wide project of global importance which has provided phenomenal advantages in the form of growth, trade and jobs”

### BACKGROUND

On a continent historically plagued by wars and ideological divisions, enlargement has proved a true EU success story bringing peace, stability, prosperity, democracy, human rights and the rule of law across Europe. Recently, the pull of the EU model has helped to transform the countries of Central and Eastern Europe into modern, well-functioning democracies and market economies. Everyone benefits from having neighbours that are stable democracies and prosperous market economies.

The economic dividends of enlargement have been considerable for the EU economy. Companies have been able to develop tremendous new trade and investment opportunities as a result of the stability provided by EU membership. The rapid growth in Eastern Europe, around 4% over the last decade, also contributes significantly to the dynamism of the EU economy as a whole. However, effort must continue to help the most recent Member States fulfil their EU accession obligations and achieve their Growth and Jobs Strategy objectives.

The positive impact of rapid growth and change associated with wholesale economic restructuring, combined with more active labour market policies and social dialogue will lead to finding solutions to remaining social discrepancies.

Current negotiations on enlargement to Croatia, the Western Balkans and Turkey are important stabilising factors to promote deeper economic integration. As with previous enlargements, they should be based on the same political, economic and monetary union requirements.

## Proper implementation and enforcement of the *acquis communautaire* by all Member States

To ensure a successful enlargement, it is necessary to avoid distortions of competition and disruptions to the functioning of the Internal Market. All EU Member States must comply fully with the Community legislation and with their commitments made in the accession negotiations. The most recently acceded countries should strengthen their administrative capacity to implement the law and provide the legal system with the means to enforce decisions at national and local level, and create a more predictable and non-discriminatory business environment. They also need to modernise their customs and border procedures to protect the EU from a large increase of illegal trade or an influx of counterfeit goods on the Single Market. Full application of EU product standards should also be guaranteed.

## Successful future enlargements

Leadership and responsibility lie in Governments' hands for future enlargements. A coherent policy is required for the accession of the remaining Balkan countries outside the EU. While negotiations with Croatia are proceeding smoothly, a clear roadmap is required for the remaining countries to offer a path for economic growth and democratic stability to take root in the region. As regards Turkish accession negotiations, it is clear that both the EU and Turkey will benefit from further economic integration. Consequently, BUSINESSEUROPE advocates that whatever the difficulties, Turkey should be treated fairly in the negotiations while care must be taken to avoid negative repercussions in the economic, trade and investment fields.