



# Foreign & Commonwealth Office

## Written Evidence from the Chemicals Regulation Directorate

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### Evidence to support the Balance of Competencies Review on Enlargement

*6. How effective has EU financial and technical assistance been in helping candidate countries prepare for EU membership? Please give examples.*

#### Background

The Chemicals Regulation Directorate (CRD, previously known as Pesticides Safety Directorate [PSD]) has been involved in the delivery of EU funded work for approximately 14 years. Initially CRD's international activity was restricted solely to EU funded Twinning programmes, however over time this has evolved so that CRD are now actively involved in the delivery of a range projects from other funding sources such as EFSA, ECHA, COLEACP and TAIEX. We have worked in a number of Member States<sup>1</sup> and have encountered a diverse range of experiences in each of these Member States. Our organisation is fully committed to providing assistance to candidate countries to prepare them for EU membership and deem our involvement in this type of work as highly important in preparing the candidate countries for accession.

#### Example

Our work in Croatia was our most successful Twinning work to date. Our first collaboration with Croatia was when CRD worked with Italy in the delivery of a Full Twinning project (HR 02 IB AG 01, 2004 - 2006). Even at this early stage of obtaining candidate country status in 2004, it was evident that Croatia demonstrated the ability to fulfil all the commitments required before accession. This initial scoping project was then followed by another Full Twinning project (HR 04 IB AG 01, 2007 - 2009) where CRD were the Project Leader (project included experts from Greece, Czech Republic and Slovenia). This project continued to build upon the training delivered in the initial project and focused on the implementation of the agreed work plan and the final Full Twinning project (HR 2007 IB AG 02, 2009 – 2011) took the format of a review project, evaluating the progress that Croatia had made towards full implementation of the requirements of the relevant Council Directives/Legislation. It was a great experience for our organisation to be successful in securing these Croatian Twinning projects and collaborating with Croatia throughout their journey to accession. Our final project completed just as the last of the 35 negotiating chapters was closed. Specific areas of assistance provided are as follows:

- Capacity building in terms of administrative (and scientific) structures. Recommendations resulted in restructuring organisations, production of clear roles

and responsibilities, redeployment of resource, recruitment of additional staff, and clarification of relationships with other departments.

- Legislation – assistance with the drafting and implementation of national and EU compliant legislation, harmonisation checks, implementation plans and transitional arrangements.
- Implementation – hands on assistance and support on the regulatory systems including harmonisation of active substance and products with EU, support in communication with stakeholders and applicants., drafting SOPs, work plans, etc. We also provided direct assistance in the EU negotiations.
- Training – training all scientific and administrative staff to the EU standards.
- Ensuring that all legislation systems approaches are fit for Croatian specific situation.

Throughout the delivery of the projects we were able to identify the issues that the Ministry had with regards to resources and through our advice and support we were able to obtain authority to recruit additional staff. The recruitment of additional staff enabled the Ministry to actively progress with various areas of work that they had been unable to advance due to lack of resource. We have established and maintained excellent working relationships with our colleagues in Croatia and we hope to work in partnership in the delivery of Twinning projects with Croatia in the future.

<sup>1</sup> Member States where CRD have worked on EU funded projects: Austria, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Montenegro, Poland, Serbia, Slovenia and Slovak Republic

## Benefits

This financial assistance was crucial in supporting the progression of Croatia from CC to full EU membership. The results of this financial support has achieved excellent value for money. The relationships forged have continued and pay dividends in the EU arena e.g. Standing Committee, International conferences, etc. and long term co-operation. It must also be recognised that the height of the hurdles Croatia had to reach were higher than those for previous accession negotiations. The associated monitoring was onerous for a country of such a small size and administrative capacity.

Overall we believe that Twinning is a highly effective support mechanism for CRD and it also has a number of long lasting benefits.

### *8. How might the EU's approach to enlargement be improved in future?*

The approach to EU enlargement could be improved in future by reviewing the hurdles for accession that smaller candidate countries such as Macedonia, who will have limited resource and absorption capacity are required to meet. The higher these hurdles are impacts on the length of time the Member State takes to meet the necessary criteria and means that the delivery of the Twinning project may not always meet it's true potential.

*10. Are there any further points you wish to make which are not captured below?*

We have become increasingly aware that the expectations of the Member States are significantly higher for Croatia and the next wave of Candidate Countries to those for example at the time of Bulgaria and Romania obtaining EU membership. We feel that the Member States have far more challenges/demands to meet in order to accede than those previously. It needs to be recognised that the small Candidate Countries do not have the administrative capacity to be able to quickly satisfy EU requirements and as far as Twinning projects are concerned, also the absorption capacity.

An example of this was during the delivery of a Full Twinning Serbian project (SR 08 IB AG 01), there was far more scrutiny from the EU than we had previously encountered. There were two EU monitor missions to scrutinise our Serbian project throughout the project duration (24 months extended to 30 months). These monitoring missions looked at financial information, effectiveness of the implementation of the project to date, impact prospects and potential sustainability. Grading in these areas was provided along with the key observations and recommendations and a follow on mission 6 months later to verify that the recommendations had been actioned.

One of our biggest challenges that we found was that the Ministry that we were working with in Serbia was that they did not have the absorption capacity or infrastructure to cope with the number of training missions as agreed within the contract. The demands of the project encroached on their day to day work significantly as there was only a team of 5 people who were receiving the training. This project was therefore extended for a further 6 months in order to enable Serbian counterparts to enable all the missions and mandatory results to be achieved. Perhaps future consideration could be given to the project duration time to ensure that the demand on the MS is not too much to cope with and that the work schedule is therefore more realistic.

Another point regarding our work in this area is the different approaches that each of the Financial authorities have in regards to the budget monitoring and reporting. It is evident that each Member State has a very varied approach in this area and some Member States seem to be far more scrutinising of the finances than others. Our experience is that some member States do not formally accept the final audited financial report and scrutinise this report, even though it has been agreed and signed off by an EU approved external auditor (e.g. National Audit Office or PriceWaterhouseCoopers). This can be extremely frustrating to the MS partner and makes the management of the financial side highly resourced. This could potentially affect the participation in future projects if it is felt that the demands from these financial institutions are having a negative impact (financially) on the Member State body responsible for the implementation of the project.