

“Cyprus: the final sprint”

**Nicosia, Cyprus
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**Speech delivered by Commissioner Anna
Diamantopoulou at the event organised
by the University of Cyprus, the
Association for the Modernisation of
Society (OPEK) and the European
Institute**

Ladies and gentlemen,

1. It is a great honour and pleasure for me to be among you today, in the company of so many friends and selected members of Cypriot society. And I am particularly grateful that you have given me an opportunity this evening to share my thoughts on the future of the Union, which coincides with that of Cyprus.

2. We are going through a **critical and difficult period** – a period during which change is the only constant and the ongoing adaptation of society to rapid developments has become a way of life. We are living in a world in which major landmarks in our life have changed – and, together with them, our views, opinions, and expectations. The fall of the Berlin Wall altered our way of seeing things and adumbrated the birth of a new idea, namely the idea that a new and larger Europe is a real possibility. The tragic events of 11 September, on the other hand, showed that uncontrolled forces may at any moment interrupt humanity's progress towards global peace and security.

3. In this **ever-changing international environment**, often under the pressure of imponderable factors, the European Union constitutes an area in which the identity of its constituent states is respected. Far from levelling the cultural particularities of its members, this family of nations highlights them and views them as an invaluable treasure. It is an Ark in which diversity in all its forms and the history of its various peoples are fully respected. The primary social concern of the EU as a whole is to remain a multicultural area of freedom and justice which will effectively protect citizens regardless of sex, religion, language, colour, or beliefs.

4. In a matter of days 290 million European citizens will be using a **single currency**. This historic innovation will shortly be followed by progress in other fields. As you already know, the **European Rapid Response Force** is being set up so that the EU can prevent and manage crises in a more effective and independent manner. Progress is also being made towards the creation of a **single legal area of freedom and security**. Gradually, **national, financial and social policies are being coordinated**.

5. All these endeavours are also being coordinated via the **united and stable structure** of the EU – a structure that is founded on our **unswerving devotion to the principles of peace, solidarity, democracy and the rule of law, and whose aim is to maximise the welfare of its peoples**.

6. Increasingly, Europe is demonstrating that it has the power to take political decisions and make integration a reality. The economic situation is good, Europe having created 10 million workplaces in the past three or four years, and we have ambitious goals to radically reduce unemployment in the years to come. Europe is also showing that it has the capacity and the will to reform itself and to modernise its social systems, while remaining faithful to its objectives and goals and improving its methods.

7. However, Europe is also competitive. We are mapping out new roads in the world, in the fields of trade and investment. Europe is also productive - with an average hourly productivity equivalent that of the United States but with far more equitable social systems. We are reducing poverty to levels which are inconceivable in the USA. And we are building a future-oriented society based on access of all to high-quality education and training and lifelong learning. A new synthesis, therefore, is emerging - one which combines a powerful market economy with a just society, a social system which strengthens the economy and resolves problems, a welfare state which enshrines human dignity and realises the aspirations of the citizens of Europe. **Hence today we are building the European economy in a fully responsible way**, bearing in mind that three years from now, thanks to expansion, the Union will constitute the world's largest single market with the potential for further acceleration of its rate of productivity and above all its standard of living.

8. Europe must above all be a society that is there for its citizens. As Member of the Commission **responsible for employment and social affairs** I will also do my utmost to ensure that the European social model, which constitutes a recent *acquis*, is further modernised and reinforced, so as to meet the various requirements of globalisation and the knowledge economy and, chiefly, the major aspirations and expectations of its citizens. Other key priorities are the promotion of social integration of all without exception, encouragement for the adaptation and re-integration of those who for various reasons live on the margins of our society, the prevention of new risks of alienation and, finally, **the harmonisation of our social model with economic development and employment in a balanced welfare triangle**. My basic message to all concerned is **that the Union and its institutions must strive without respite for a better quality of life, employment and society**.

9. Never before did the **European dream** appear so successful. So much so that I am proud and optimistic now that the European Union is steadily becoming a society of shared values facing a common destiny. It is in this Union that, very shortly, in the framework of expansion, my beloved Cyprus will participate as a full and equal member.

10. If we try to make an initial assessment of the results of the impending expansion, I think that we can readily agree that the European Union will succeed in **definitively reconciling and uniting the European nations** and enhance its members' political and economic power, in a context of peace and security, high social and environmental standards, via a single market of over 500 million consumers. Besides making a major contribution to achieving balance on the planet, the Union will take decisive steps towards the creation of **a more cohesive Europe of the peoples**. Peoples who will experience, in a single European area, democracy, stability, peace and welfare. Without disputes or discrimination of any kind, social exclusion and discrimination. Because expansion is a political process which goes hand in hand with political and economic goals. It is inseparably bound up with **deepening** of the Union on a democratic basis, on the basis of integrated policies. **What we need today is a wider democratic EU focused on development, welfare and also social solidarity and cohesion. A Union which will be responsive to the individual needs of its citizens but also an active and responsible player in the international arena with a view to promoting peace, cooperation and stability.**

11. According to the latest progress report, **the Cypriot application is a model application** because Cyprus is well ahead of the other applicant countries and is moving rapidly towards membership. **A total of 23 chapters have already been provisionally closed and it is expected that by mid-2002 negotiations will have been concluded for the remaining six chapters.** However, this multidimensional, difficult and praiseworthy endeavour which you in Cyprus are undertaking today must be accelerated, since **certain difficult chapters remain unresolved, such as taxation, competition, agriculture, justice and domestic affairs.** Work also has to be done in the **legislative sector**, in telecommunications and the free movement of goods. Mainly, however, attention must be focused on **effective enforcement** of the laws which have been enacted.

12. As regards my own remit, I would like to say very briefly that Cyprus must in the coming months focus its

attention on **correcting macroeconomic imbalances and avoiding bottlenecks in the labour market which hinder economic development**. The Cypriot labour market is quite regular and flexible but there is always room for improvement. Besides, there are problems of matching the supply and demand for labour both at regional and occupational level.

13. Finally, I should stress the extremely high priority which the European Union attaches to **equal opportunities for men and women**. I am certain that **the achievements of Cyprus in the field of equal participation of women in the labour market, but also in decision-making centres**, will soon match those of the European Union. Because the more women are integrated in the labour market, the more competitive and stronger the country's economy becomes.

14. Since I am this evening addressing such a distinguished audience, I wish to say that I have every reason to be optimistic, taking an entirely objective look at the Cypriot application. **Basically I believe that Cyprus is literally on the final lap, indeed I would say at the doorstep of the EU, and has prepared itself extremely carefully for equal membership of the Union**. Hence, from this perspective, Cyprus **will be judged just like the other applicant countries, i.e. on the basis of its achievements as regards the chapters under negotiation and, on the other hand, the degree to which it meets the criteria required for entry**. This is clear from this year's progress report, which should be read in conjunction with the **decisions of the Helsinki European Council which separate the entry of Cyprus from the resolution of its political problem**.

15. Therefore, since **all applicants will be judged on the basis of their individual achievements and nothing else**, Cyprus will be no exception. The so-called "road map" of the negotiations sets out a clear structure and a concrete timetable for the negotiations up to 2002. The goal is that the applicant countries should meet the requirements for participation in the elections to the European Parliament in 2004. **Hence my message from here onwards is loud and clear. The membership negotiations will have been completed by year's end with an eye to realising the historic expansion in 2004. If a political solution is not found by the time the negotiations are concluded, the final decision will be taken on the basis of the decisions of the Helsinki, Nice and Gothenburg European Councils**.

16. **Progress towards integration can go hand in hand with a political settlement**, in the sense that the two approaches mutually reinforce and supplement one another. The perspective of Cyprus's joining the Union provides a unique opportunity for all parties involved **to rise to the occasion and to demonstrate their devotion to the principles and values** which are such essential importance for the EU and the family of European States.

17. Leading figures in the European Union have often stated that one of the **major strategic goals** of the Union is to bring on board a **united Cyprus** - a Cyprus which will have resolved its political problem in the framework of the United Nations' decisions. From this perspective, the European Union wholeheartedly supports the endeavours of the UN Secretary-General to mount genuine negotiations with a view to resolving the political dimension of the problem - **a political settlement which will secure democracy and the principles of the rule of law from one end of the island to the other for all Cypriots and which will allow its citizens to participate as equals in the procedures of the European institutions** by reducing or eliminating differences in income and quality of life and hence **ensuring a better future for their children**. Historically, social disparities fuel ethnic disputes, while social equality and solidarity greatly facilitate the institutional cooperation and coexistence of different ethnic groups. Hence a political settlement will usher in an era of peace and security for all. **Thus, in the context of the Union's long-standing policy in this field, I particularly welcome the decision taken on 4 December by the President of the Cypriot Republic, Mr Kliridis, and Mr Denktash to start immediate discussions under the aegis of the UN Secretary-General, from the middle of next January.**

18. Today I believe we still have an opportunity for a political settlement, before the membership negotiations are terminated. The **window of opportunity** remains open. But not for long. Hence yet again I appeal to all those who fail to grasp the importance of the opportunity offered to them. They should look to their interests and turn a fresh page. A political settlement prior to the entry of Cyprus is the clear preference of all parties. **However, it is not the only one. Because failure to achieve this goal cannot stand in the way of Cyprus's joining the Union.**

19. It is clear that Cyprus will join the Community once it meets the prerequisites. It is clear that separate negotiations with the Turkish Cypriots are out of the question. However now, as never before, there is the possibility of taking

account of their development problems and particularities. It is clear that the future integration of Turkey will be torpedoed if Turkey annexes the northern part of Cyprus. Let us not deceive ourselves. The Union's standpoint is clear and leaves no room for ambiguity.

20. This is a position which **the Turkish Cypriot community** should be fully aware of. It should also be aware of the economic and political benefits of membership and participation in the ongoing negotiations. The Turkish Cypriot community must understand that the **institutional framework of the Union** offers particularly attractive political guarantees and political benefits. This institutional framework can be nothing other than an **additional security network** for a federal Cyprus.

21. If we take a dispassionate look at the importance for the Union of a federally governed Cyprus, finding a solution will be far easier. The Union's institutions, its legal order, its principles and policies— known as the Community *acquis* — not only in no way prevent the resolution of the Cyprus problem, but may contribute decisively to a political settlement. The European Union never imposes constitutional rules and security arrangements on its members - for these are matters for the members themselves. The only thing the Union does is to harmonise any arrangements which the parties have worked out on their own account.

22. During my visit I will sign an agreement on the Joint Assessment of Employment Priorities in Cyprus. The basic purpose of this agreement, which is signed with all applicant countries, is to ensure that they are better prepared to implement their own employment policies. But another important goal is to ensure that Cyprus is in a position to absorb resources under the Social Fund.

23. One particularly important feature of my stay here is the **meeting I will be having tomorrow with Non-Governmental Organisations** under my portfolio on the Green Line. I have also invited Turkish-Cypriot NGOs to attend this meeting. I hope to explain the system and to present in detail the EU's programmes to promote women, the disabled, and the social dialogue. I hope they will make the most of this opportunity for dialogue and attend the meeting.

24. After all, it is this **social dialogue at all levels on all subjects** which is considered crucial today with a view to **promoting social integration as a cornerstone of our societies**. We want Europe to master the problems of

globalisation, to address the challenges of creating a better and more just world, and to inspire our children to support a socially balanced developmental model. The European house calls for wide-ranging democratic dialogue with direct citizen participation. Since the institutions and policies need to be reviewed regularly, it is planned that Cyprus, the other applicant countries and the existing Member States will take part in a structured dialogue on our future policies for improving the administration of the EU, to be organised next year. The discussion will lead to a new Inter-Governmental Conference in 2004 and Cyprus will be invited to help prepare this new conference.

25. Ladies and gentlemen, may I conclude by saying that **the question of Cyprus's membership concerns Europe as a whole**. The European Union is optimistic and genuinely welcomes the endeavours of the UN Secretary General. However, Cyprus cannot and should not be arbitrarily excluded from the historic opportunity of membership. Because the European Union will not have realised the vision of so many generations until all the European peoples who are struggling for peace, democracy equality and welfare have succeeded in joining it.