

Speech by Commissioner Danuta Hübner

at the 18 Economic Forum

Session on : 'Poland in the EU: "controversial participant" and "opinion leader'

Krynica, 12 September 2008

There is certainly a lot of space between being a "controversial participant" and "opinion leader". Somewhere within this space I would identify a spot called effective membership. There are also commentators who would say that for example the UK may be seen sometimes as a 'sceptical participant' but at the same time may would say that it is an effective EU member. If you take the scoreboards concerning the implementation of the Single Market, the UK has been doing well for years. And this certainly enables British companies to make full use of business opportunities generated by the EU. Also, if you look at the personnel policy, the UK has the largest number of Cabinet members in the European Commission. Many would be probably surprised to learn that the British have also high rates of absorption of EU funds.

I fully share your view that it would be best to compare Poland to other large Member States and ask why France and the United Kingdom and recently Germany perform better? In my view there are several factors one could identify here.

First of all, to be successful Member States have to integrate EU concerns into their domestic policy making. You cannot make domestic policy today without internalising the EU level.

Secondly, the way governmental administrations cope with EU issues matters. In effective Member States coordination lies at the heart of government and in the Prime Minister's direct control. It is the real secret of effectiveness in Brussels.

Thirdly, specific training of civil servants on EU matters within the government machinery and the exchange of staff between the EU institutions and national institutions is key. Permanent Representations need to be totally integrated into government and they need to be entrusted with a degree of freedom to make decisions on the spot.

Fourthly, a major effort in influencing decisions in Brussels is necessary, based on the fact that nothing works in Brussels without building alliances.

If we look from this point of view at Poland, the picture is mixed. Poland is not doing too well in terms of the timely implementation of EU legislation. It is one of 5 countries which is still missing the target of reduction of implementation deficit below 1,5% (of Single Market legislation). Moreover, some of these directives concern areas which are important for innovative businesses such as financial services (10 directives). Many directives were transposed on time but not correctly implemented. One can mention here the public procurement law, environmental impact assessment or Natura 2000 legislation. As a result Poland is the third worst performer in terms of infringement procedures.

The absorption of EU money in the area of regional policy is on good track - in quantitative terms. However, there are still a lot of legal and procedural obstacles which delay the

realisation of very much needed projects in the transport and environment area. This concerns areas such as spatial planning, construction law or proper project management. This is particularly important as under this financial perspective Poland is supposed to receive overall from the Union ca 90 billion euro (against ca 14 billion of budgetary contributions).

In terms of filling posts in the EU institutions Poland is still underrepresented, particularly at the middle management level. Recently Poland started to identify candidates and to offer training. This will hopefully lead to better recruitment results in the mid-term.

I would say therefore that with regard to the institutional capacity, covering areas ranging from good central and regional administration to an efficient legislative process (including better regulation approach) to business organisation and the capacity to represent its interests in the EU (against current fragmentation of the representation of business interests in the Union). On all those issues there is still potential to improve.

The other way of looking at the Polish membership in the Union is the scrutiny of some political dossiers which seem to be of importance to Poland.

The issue of state aid to Polish shipyards has been dragging on for some years now and we are not yet seeing a light at the end of the tunnel. This is due to the lack of clear strategy in giving state aid (most of which was of ad hoc nature), the primacy of short term political interest over economic rationale and a lack of proper communication with the Commission. This problem is of a more general nature, and linked also to insufficient role of networking). Two issues matter here: the awareness that there is a number of EU policies where the Commission has an exclusive competence and that the timing can be key. Often the intervention at the Council level comes too late to influence significantly a dossier.

There are good examples in this context – the negotiations on the financial perspectives 2007-2013 is one. Poland managed to achieve good results; at the same time it showed the capacity to compromise, so that it left no "bad blood" among partners. This is important since the EU relations have a permanent character. A recent good example can be Eastern Partnership. By promoting this idea Poland, first, captured political opportunity (opened up by the agreement on Union for Mediterranean and Georgian conflict) and, second, managed to convince its partners to support the idea – through the process of informal consultations and a joint paper with Sweden.

Finally, a good player in the Union is the one which is capable of playing on all "chessboards", within all EU domains. This is particularly important in the context of the forthcoming Polish presidency in 2011 (chairing all the committees).

What seems to me important is that Poland is certainly a fast learner. Fast learners normally gain. It is gradually becoming a stronger, more influential member state. This comes with increasing accountability.

Thank you.