

ENLARGEMENT OF THE EUROPEAN COMMUNITY

The 10 candidate countries, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia are preparing for entry in January 2004.

Only when the European Commission is certain that any prospective candidate country is ready will it agree to accession. Candidate countries are strongly encouraged to honour all commitments made during the transition negotiations so that entry to the European Community can be approved.

At end of October 2002 there should be agreement on which countries are to move to the next phase with a conclusion of negotiations by the end of the year. Ratification by the European parliament and national governments must also be given before enlargement can take place.

The Commission is of the opinion that enlargement must take place, failure will have serious economic consequences.

At a recent conference on "The Benefits of Enlargement for our Environment" the Danish Minister for the Environment Christian Schmidt cited Austria as an excellent example of how community enlargement can benefit the environment. Austria has been at the front line in pushing for a cleaner environment and sustainable development. Hopes are that post-accession of the candidate member states will see a reduction to the levels of pollution of water, soil and air and an increase in the general health of the people.

Improvements to the environmental infrastructure to ensure compliance with the EU waste legislation will not happen with out significant investment.

The WIIW, a Viennese research institute, has produced a handbook containing valuable data on seven of the ten prospective new members. Included is information on the economy, population, productivity, consumption, trade and investment. It can be downloaded from - <http://www.wiiv.ac.at/handbook.html>.

Enlargement will bring with it new issues for the chemicals business that will require close attention. Entry of new suppliers to the industry and compliance of the new companies countries with established directives and regulation means we are in for an interesting time.

How can Steptoe and Johnson LLP help?

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