

SEJM RZECZYPOSPOLITEJ POLSKIEJ

EUROPEAN UNION AFFAIRS COMMITTEE

CHAIRMAN Robert Smoleń

Mr. Ben FAYOT

Chairman of the Committee for Foreign and European Affairs, for Defence, for Cooperation and for Immigration **Chamber of Deputies** 9, rue du Saint-Esprit <u>L-1475 Luxembourg</u> (Luxembourg)

Dear Colleague,

I would like to inform you that I had a pleasure to host a meeting of the European affairs Committees of the parliaments of Estonia, Latvia, Lithuania and Poland on April 25-26, 2005 in Białowieża. During our meeting we discussed issues of our common interest, such as Cooperation of the EU Affairs Committees of the parliaments of Estonia, Latvia, Lithuania and Poland at the European level, New Financial Perspective 2007-2013, Lisbon Strategy, results of the subsidiarity test (third railway package), Ukrainian request to be an observer in the COSAC and free movement of workers within the EU.

With this letter I am sending you the conclusions of the meeting with a request to distribute it during the XXXIII COSAC meeting to be held in Luxembourg on May 16-18, 2005.

I believe the issues touched upon at the meeting reveal that our views on the most vital issues for the European Union are convergent and that we are able to work out common positions in many discussed questions.

We did agree that the future shape of the new financial perspective of the European Union is particularly important for the new member states. We set great store by the compromise on the new financial perspective to be reached in June 2005, which would allow releasing financial resources at the outset of 2007. We hold that the level of financial means inflowing to the new member states, particularly those allocated to cohesion policy, agriculture, rural development and fishery, should be maintained at the level proposed by the European Commission. We consider the proposal for decreasing the limit of 4% GDP (the ceiling of inflow of the EU fund) unacceptable. We are of the opinion that all indices should be commensurate with the real indices of economic growth and inflation. Using the correct economic estimates in application of the 4% cap rule would partly mitigate negative side effects of capping.

As representatives of parliaments of our respective countries, we are convinced that the ideas of the Lisbon Strategy are of great importance for the progress of the European Union. The most essential targets of the Strategy, to our view, are the increase of competitiveness of the EU economy, thus leading to increasing the level of employment. It requires releasing the EU economy from the excess of administrative constrains and introduction of better regulations. In this context, the establishment of free service market as the sector that produces approximately 70% of GDP is crucial. We agreed that, in the framework of expenditures aimed at innovation, it is necessary to secure financial resources also for science and R&D centres in the new member states. We expressed our support for national components of the Lisbon Strategy and opted against the unification of CIT tax rate.

An intensive international dialogue in favour of the opening of labour markets for the citizens of the new member states before the expiry of transitional periods is of immense importance to us. We are of the opinion that free movement of employees is a decisive factor for economic development for both old and new member states. The example of the member states that opened their labour markets for the workers of the new member states proves that the previous concerns were unjustified. We call upon the EU 15 Member States (with the exception of the United Kingdom, Ireland and Sweden) to repeal as soon as possible the transition periods in the area of free movement of labour force with a view to achieve the goals of the Lisbon Strategy principles and the equal status of all the nationals of the European Union. We also appeal for refraining from introducing any extra restrictions for service providing companies from the new member states.

Following the deliberations concerning the testing course of the Third Railway Package compliance with the principle of subsidiarity in the national parliaments of Estonia, Latvia, Lithuania and Poland, we stated that the European Commission on submitting the proposals should follow all the formal requirements, particularly it should:

- submit a proposal in official languages of all the EU Member States and

- present the foundations upon which it is laid with a view to justify its compliance with the principles of subsidiarity and proportionality, including the qualitative and quantitative indicators justifying such a proposal.

In co-operation with non – member states, a special priority should be given to the issue of the long-term relations with Ukraine. We stressed the necessity of supporting the democratic changes and European aspirations of Ukraine. The invitation for a representative of the Ukrainian parliament with a special status at the COSAC meetings would be a visible sign of support for the democratic process and pro-European movement in Ukraine. We agreed to support the proposals prepared by the Polish side on introduction of amendments in the COSAC standing orders, which aim at enable Ukraine to participate in the Conference sessions with the observer's status as soon as it submits a motion for the European Union membership. We also resolved to request the COSAC presidency to extend an invitation to a representative of the European Integration Committee of the Ukrainian Vekhovna Rada to take part in the coming session of the COSAC in Luxembourg.

Furthermore, feeling an obligation to react to disturbing tendencies in the interior politics of the EU neighbouring countries which derives from the spirit of founding treaties of the European Communities and the Charter of Fundamental Rights, we decided to present the COSAC with a common draft statement on the situation in Belarus (see the draft enclosed in app.1).

We agreed that the conclusions of our meeting would be passed to the COSAC President, Mr Ben Fayot.

I remain, sincerely yours,