

EU INTERVENTION AT THE WORKING TABLES MEETINGS OF THE STABILITY PACT FOR SOUTH EASTERN EUROPE
Tirana, 3-4 December 2007

Your Excellencies, Mr. Special Coordinator, Ladies and Gentlemen,

1. It is a great pleasure for me to address the three Working Tables of the Stability Pact for South Eastern Europe on behalf of the Presidency of the European Union.

We have come to Tirana – and I would like to thank our hosts warmly - to discuss achievements, lessons learnt and remaining challenges in different fields of regional co-operation. Today and tomorrow we will further progress in the transition to the Regional Cooperation Council (RCC), a process which started some while ago and which will be the end point of an even longer and ongoing process we embarked upon in 1999. The last Regional Table and the first Annual Meeting of the RCC, with the signing of the Memorandum of Understanding on the RCC, will add the finishing touches to the new architecture for regional cooperation in South East Europe.

2. In 1999, we started the process with the aim to promote political and economic reforms, respect for human rights, development and enhanced security in the region. At the time, we expressed our strong wish that all the countries of the region would work together in a spirit of cohesion and solidarity through the Stability Pact in order to build a common, prosperous and secure future. These fundamentals still hold true and guide us in our work.

Since then, South East Europe has considerably developed over the past years, politically, economically and in terms of security, and has also moved ahead significantly on the process towards EU integration. In this respect, only recently Montenegro joined the growing network of Stabilisation and Association Agreements (SAA). On 7 November, the SAA with Serbia has been initialled. The signed SAA with Albania is in the process of being ratified by Member States; the Interim Agreement has already entered into force and is now being implemented. The accession negotiations with Croatia are advancing well. The former Yugoslav Republic of Macedonia has been conferred candidate status and the implementation of its SAA is progressing. The technical negotiations on a SAA with Bosnia and Herzegovina have been finalised and following positive developments concerning the functionality of state institutions and the willingness to go ahead with Police Reform, the SAA will be initialled soon. The signature of the SAA will still depend on credible advancements on the SAA conditionalities the EU has set out. The relationship of the Republic of Moldova with the EU has advanced steadily on the basis of the European Neighbourhood Policy Action Plan.

On a general note, the EU would hope for a more constructive political dialogue between all parties in the countries of the region, strengthening the internal political stability and the reform process necessary to progress towards the EU.

3. Overall, the general setting of progress in South East Europe will allow us to finalise the transformation of the Stability Pact into a regionally owned and streamlined RCC. The transition is acting already as a catalyst for progress in concrete fields of cooperation. The RCC will provide a strong political cover and sound operative support to the initiatives and task forces both currently operating and forthcoming, along the lines of an enhanced and streamlined regional ownership. It will also be the main interlocutor of the EU on regional cooperation matters in SEE.

Transition is on track, financing is available and should arrive in the beginning of next year. Thanks to the commitment of the countries of the region, and the tireless efforts of the Special Coordinator, Dr. Busek and his dedicated staff, as well as the European Commission, progress achieved on setting up the Regional Cooperation Council in all its aspect is indeed impressive.

4. The Stability Pact facilitates regional ties, coordination and cooperation. Among the various initiatives it has helped to bring about, some are of special interest for the EU. This is clearly the case of the expansion of CEFTA and the Energy Community Treaty. CEFTA will substantially improve the investment climate in South East Europe as it liberalises, modernises and harmonises the trade regime throughout the region. The Energy Community anticipates features of European integration by creating a regional energy market in line with EU policy and enhancing energy security both in South East Europe and in the EU.

Progress is also welcome in the field of preventing natural and man-made disasters, where pooling resources and reacting quickly is key, as proved by recent forest fires and recurrent floods in the past. The institutionalisation and regional ownership of the Disaster Prevention and Preparedness Initiative (DPPI), with the recent signing of a Memorandum of Understanding, provides the basis for an enhanced co-operation in this area.

The SECI Centre for fighting trans-national organised crime in Bucharest, also through its increasing co-operation and co-ordination with Europol, provides a tool to tackle crime in SEE, a major threat to stability, economic development and security in the region and beyond.

Increasing attention to Building Human Capital is a way for South East Europe countries to better prepare its human resources to a European future and to effectively counter brain-drain dynamics.

The EU is supporting these processes and watching implementation carefully as they are important instruments of progress for further EU integration.

5. The Secretariat of the RCC, with its headquarters in Sarajevo and its liaison office in Brussels, will be able to build on this *acquis* by monitoring and facilitating the work of the regional cooperation task forces and initiatives in South East Europe. It will foster regional cooperation, dialogue and coordination. Let me mention three points important to the future work of the RCC:
 - A more intense and regionally owned cooperation in South East Europe, resulting from the efforts of the RCC and the countries of the region, is instrumental in the advancement of the EU's Integration agenda. These efforts should complement similar ones within the Stabilisation and Association Process.
 - Regional ownership at the level of individual initiatives should be enhanced with a view to ensure that they can operate on a self-sufficient basis. Progress on concrete issues, some of which I have outlined before, is closely linked to regional ownership of specific initiatives.
 - Activities should be streamlined further and countries of the region prepared to further shoulder the financial burden of running a regional network, as is already happening in several individual initiatives. The process of streamlining and building ownership in

different initiatives will then ensure that the RCC will inherit a set of coherent, functional and sustainable initiatives.

6. Only by working together can we present our interests in the world of tomorrow in which we need to adapt constantly to new challenges, new risks and new opportunities in order to maintain and develop capacities to act. The EU has advanced far by peaceful and close cooperation between its member states.

The Treaty of Lisbon, which will be signed on the 13 December, is a fine testimony of the spirit of collaboration, dedication and openness in search of the best solutions. The Treaty affirms European values and strengthens Europe as a global economic player. Thanks to it, Europe will have a more significant role on the international stage and the means for effective cooperation with our partners.

7. Regional cooperation remains an essential part of the Stabilisation and Association Process. Dialogue, regional cooperation and the capacity to solve outstanding issues between parties and countries are the yardstick of political maturity and accelerate democratic and economic development in the region. In this respect, the on-going Kosovo status determination process remains the greatest challenge for the region.

Full cooperation with ICTY is an obligation under international law and a fundamental condition of EU integration. Being of crucial importance, the fight against impunity of war criminals in the whole of the Western Balkans must continue. The rule of law is essential for the functioning of a democratic society. Only consolidated democracy provides for further essential reforms and progress.

8. In these endeavours you are not alone. The EU will proceed with its assistance and advice and will uphold the European perspective. However, nothing can replace the necessary will and determination of the countries of the region to achieve the fulfilment of the established criteria and conditions.