

Olli Rehn

European Commissioner for Enlargement

New steps forward for regional cooperation

The meeting of the stability pact regional table

Brussels, 10 May 2007

Dear Minister, Dear Special Coordinator, Excellencies, Ladies and Gentlemen, Dear Friends,

One year ago, during the Regional Table in Belgrade we set out our joint vision for enhanced regional cooperation based on increased regional ownership, partnership and confirmation of the European perspective. We adopted an ambitious roadmap on the way ahead to transfer responsibility to the region over regional cooperation and to close down the Stability Pact by early 2008.

The process of regional ownership was launched by the Regional Table, which took place in Sofia in May 2005. I wish to thank Dr. Erhard Busek for his commitment to the reform and Dr Alpo Rusi for leading the Senior Review Group that created the concept for the present transition.

I am very pleased to note that today we can see tangible progress. The countries in the region participating in the South-East European Cooperation Process have engaged constructively with the Stability Pact, the European Union and other donors. Most importantly, we have already the first result of our joint work:

the Statute of the Regional Cooperation Council for South-eastern Europe has been finalized,

the first Secretary General is about to be appointed, and

the seat in the region of the future Secretariat of the Regional Cooperation Council is about to be designated.

The legal status of the new bodies, including the Liaison Office of the RCC in Brussels, has been settled. The joint engagement of the donors, the Commission and the countries of the region has ensured the financial sustainability of the new body.

Following the confirmation by the Summit tomorrow, the work can start on the getting the new bodies ready so that by early 2008 the RCC will be officially launched and Dr Busek will be able to handover to the Secretary General. The phase we enter into is far from being a technical one. I often repeat (as we say in Finland) that work which well planned is half-way done. And the process we have entered into is indeed very well planned. However, more needs to be done.

The future secretariat must have the capacity to take over the activities of the Stability Pact. Enhanced regional ownership will give new impetus to regional cooperation by focusing on agreed priorities and making sure that the undertaken activities will produce valuable results for the benefit of the region. The outcome should further underpin reforms, the European perspective and people-to-people contacts across national and state borders.

During the last eight years, the Stability Pact has done very useful work thanks to the commitment of all its members and the energy and the engagement of its Special Coordinator. I would like to thank in particular Dr Busek, who has held the job for the greater part of the life of the Pact. The region has gradually moved way beyond the legacy of suspicion and instability and – with the help of the Pact but also the continuous commitment of the EU – has managed to achieve substantial progress. We are all convinced now that regional cooperation is not an alternative to European integration, but a substantial ingredient of it - and a political and economic imperative.

Last December, the enlarged and modernized CEFTA agreement was signed. It needs now to be fully implemented in order to contribute to economic development and cross-border trade flows.

All in all, South-East Europe has made much progress. Since the creation of the Stability Pact in 1999 two countries of the region have become member states and another two are negotiating their entry into the EU. All Western Balkan countries have advanced on the path of European integration. We work hard in the EU on the basis of the Thessaloniki Agenda to make the European perspective as real and tangible as possible for the peoples of the region.

For the success of the EU policy towards South-East Europe we need to maximize the people-to-people contacts between the Member States and the countries in the region and – I would add – between the countries in the region themselves.

The Commission recently completed negotiations with a number of countries in the region on visa facilitation and readmission agreements. We hope to be able soon to agree on the results of these negotiations with the Member States in the Council, so that the agreements can be soon signed and their implementations start.

Of course, there are still key remaining challenges, in particular the Kosovo status settlement. One of the key priorities of the future regional cooperation framework will be to ensure that Kosovo is fully integrated in the regional cooperation structures, as Kosovo will increasingly need good and pragmatic relations with all neighbours no matter the details of the settlement.

Better regional cooperation and regional commitment is needed to face the region's challenges in the next period. The Commission is looking forward to increased local ownership of the regional cooperation process and stands ready to provide support with its instruments. We expect to find a solid partner in the RCC with whom to cooperate on regional cooperation. We also stand

ready to cooperate in the context of the Instrument for Pre-Accession, which will have a dedicated programme for regional cooperation actions.