

SECRETARY GENERAL OF THE REGIONAL COOPERATION COUNCIL

# Regional Cooperation CRUCIAL



PHOTO: Medija centar Beograd

*SEE 2020 is an ambitious project, but it is highly realistic given the commitment of the participating countries and their awareness that constant improvement is the only way out of the crisis*

**T**he Regional Cooperation Council's main activity at present is the SEE 2020 strategy, which accounts for 70% of RCC activities. However, according to RCC secretary general Goran Svilanović, the council is also dealing with issues such as security and parliamentary cooperation, fighting organised crime and migration issues, media development, civil society activities and gender mainstreaming.

■ **One of the priorities of the Regional Cooperation Council (RCC) is the indicated development of the SEE 2020 Strategy. What is the main objective of this document?**

- The strategy for Southeast Europe (SEE) 2020 has not only been developed, but was also adopted by the seven governments of the region at the Ministerial meeting in Sarajevo last November. We have already seriously entered its implementation phase, which is reflected in development of national and regional action plans envisaging the main steps for its implementation, as well as of the monitoring plan that the RCC has been placed in charge of.

The strategy's working title, Jobs and Prosperity in a European Perspective, spells out its goals quite clearly.

Let us look at situation in our region briefly – hundreds of thousands of people in the region are unemployed, many of whom are young people who have not even had a chance to test themselves on the labour markets. Over the last five years the countries of the region doubled their public debt, while 800,000 people lost their jobs. People are poor and

## JOBS

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## GDP

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## AIM

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suffer greatly from the economic crisis. Those lucky enough to have jobs fear losing them, while others struggle to find any job to support themselves and their families.

Considering all of this, the SEE 2020 strategy focuses on very specific goals: creation of one million jobs in the region over the next seven years, raising the region's GDP from 36% to 44% of the EU average, increasing energy efficiency by 9% and government productivity by 20%, doubling trade and investments and, finally, increasing productivity by a third.

Additionally, there is also a need for educational systems that meet the needs of the labour markets and for an increase in the number of young highly educated experts with realistic employment opportunities by an additional 300,000. SEE 2020 is also set to increase the total regional trade turnover by more than double, from 94 to 210 billion euro.

These numbers show that SEE 2020 is an ambitious project, but given the commitment of the participating countries and their awareness of the fact that constant improvement is the only way out of the crisis, it is highly realistic.

Beside the SEE 2020 strategy, which represents 70% of the RCC activities in the upcoming period, we are also dealing with issues such as security and parliamentary cooperation, fighting organised crime and migration issues, media development, civil society activities and gender mainstreaming.

■ **The SEE 2020 Strategy aims to overturn the economic stagnation of the region. How can this be implemented?**

- This region has endured a lot due to turbulent conflicts in the past, which are now two decades behind us. Ordinary citizens bear the burden of this long-lasting period of lagging behind the developed countries the most. It is high time we moved from reconciliation and peace building towards economic and social prosperity.

The reality is that in this EU-aspiring region it takes trucks more than five days to travel from Ljubljana to Tirana, the average GDP of the SEE countries in 2010 was just a third of the EU average. Will the EU seriously consider such member(s)? Hardly!

There are many specific requirements, 35 policy areas to be precise, that a country must meet on its way to joining the EU. It is true that there is a lot to be done in the region in this respect in

areas ranging from the free movement of goods and workers to energy, judiciary etc. The SEE 2020 strategy represents a map of common regional targets directed towards the EU, respecting all these requirements.

People from the region understand this reality and expect their governments to deliver. As a result, the region's economy ministers committed to the SEE 2020 strategy and set 11 common goals they want to achieve. They even singled out food and beverages and tourism as priority areas for action. The role



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for the RCC in this process is to do everything it can to assist them in achieving these goals.

In practical terms, we aim to harmonise a number of measures facilitating additional integration of markets in the region. We believe that going beyond national into a wider, regional framework supports internationalisation and competitiveness.

This year marks the first year of SEE 2020 implementation, meaning that, even as we speak, the RCC is finalising work on the creation of national and regional action plans with the participating governments/partners from the region, as well as setting up specific measures and reforms to be undertaken in the implementation process.

In addition to national institutions, such as ministries of economy, education, employment, healthcare, justice, environmental protection and culture, relevant agencies etc., SEE 2020 engages relevant regional initiatives and organisations that take part in the implementation of the strategy with precisely defined roles and responsibilities. For example, CEFTA will coordinate activities related to trade aimed at increasing inter-regional trade by around 140% by 2020. There are many other initiatives working on the same principle in their respective fields: Energy Community, Re-

gional School of Public Administration and Education Reform Initiative, to mention just a few.

■ **The RCC has spent the past three years working on paving the way for this strategy. What actions have been taken so far in this respect?**

- You are correct. For three years already the RCC has paved the way for the SEE 2020 strategy, which leans on the EU's "Europe 2020" strategy, and we have actively worked on it since November 2012, when the region's economy ministers adopted framework strategy goals. Our basic goal is to improve living conditions in our region and restore the region's focus on competitiveness and the development of each individual country and the region as a whole.

The representatives of Albania, Serbia, Kosovo\*, Bosnia & Herzegovina, Montenegro, The Former Yugoslav Republic of Mac-

tion progress 'a click away'. For example, citizens would be able to check if there was any increase in employment in Serbia over the past year; was there any increase in energy efficiency in Montenegro; etc., and to compare them amongst the countries, in all areas from education to employment.

■ **Will the Strategy be able to meet the objective of being the permanent framework for international cooperation in the region and, if so, how?**

- What we want is to create a harmonised regional framework of cooperation, where all participants have clear roles and responsibilities in achieving mutual, agreed goals. To that end SEE 2020 strategy represents initial mid-term framework of regional cooperation in the region.

Attainment of the strategy's goals and benefits of the SEE citizens resulting from it are to create a solid basis and a model for permanent regional cooperation. It could lead to the creation of similar mechanisms, strategies or some other forms of cooperation within the region, addressing new issues, as well as raising issues and challenges on the countries' EU path.

Regional cooperation and good neighbourly relations being the core of the EU philosophy, and the consisting parts of the EU Stabilisation and Accession Agreement (SAA) signed by EU-aspiring countries from the region, will certainly impact on the region's devotion to finding a permanent model to continue along the way paved by the SEE 2020 strategy.

RCC, for example, intends to introduce the practice similar to the annual meeting of the EU's economy ministers - to bring together the regions' economy ministers to discuss economic issues once a year. This could become some kind of backbone for a framework of permanent cooperation once the SEE 2020 goals and time-frame are exhausted.

■ **What currently constitutes the backbone of bilateral cooperation in the region and to what extent can we be satisfied with its quality?**

- Bilateral cooperation is highly important, as it is influencing mutual relations in the region.

The region witnessed many positive developments in this context over the past year: Croatian Prime Minister visited Belgrade, Serbian Prime Minister visited Sarajevo, and Prime Minister of Bosnia and Herzegovina was in Belgrade. In addition to their symbolic importance and, of course, their role in increasing the level of trust and friendship between nations, all these meetings have an increasingly pronounced economic element. Politicians are fully aware that economies in the region, sharing similar social and economic situation, can overcome the crisis and be competitive at third markets only if mutually linked. I expect such relations in the

region to move forward, because it is the only possible path.

However, from our point of view, multilateral cooperation is much more important as a leading force for positive changes and reforms. Regional competition between one another and mutual helping pushes us all towards our joint goal - EU integration.

■ **If we assume that bilateral cooperation could take root in a common economic interest and single approach to other markets, how realistic is it that this will actually take place?**

- Over the recent years, the Regional Cooperation Council has done much in boosting regional multilateral cooperation and we will continue to do so. It is our mission after all.

Some important steps forward have already been made in connecting of economies in the region, alike joint infrastructural projects, constant increase of the level of cultural exchange, cooperation in the fields of education, science, health care, etc. We are all inter-connected and improvement of cooperation, economic and cultural bonds, leads us towards the economic growth.

The RCC will continue to work on creating an environment where mutual differences are respected, and own interests are adjusted to those of our neighbours. I keep on repeating that whoever tries to isolate others or oneself would end up without support, alone and unsuccessful.

■ **For decades the main issue of the region was stability and security. Can we now, with the signing of the Brussels Agreement, say that lasting stability has been attained?**

- The Belgrade-Pristina agreement is, of course, very important. Both governments and Baroness Ashton have done a tremendous job with it and continue to do so with efforts on its implementation. Both Belgrade and Pristina, and the European Commission for that matter, carry responsibility and need to be fully engaged when it comes to implementation of the agreement. It is, naturally, going to be reflected in the accession/association statuses of Serbia and Kosovo\*.

However, a permanent solution or permanent stability is a different matter. It is all part of the process leading to EU membership. It is also quite clear that with severe economic crisis and a difficult situation in Ukraine, the Balkans is currently not the EU's top priority.

I take it as my mission to continue explaining to our EU partners, who very much value stability across the whole of Europe, that they need to support us; to support brave politicians and governments that make tough decisions and conduct serious reform processes; to support countries and politicians in the region that take primary responsibility for their destiny and view the assumed obligations as an opportunity to make progress in their countries.

The Regional Cooperation Council will support them and seek concrete economic assistance for them.

■ **One the other hand, the recent unrest in Bosnia showed that social and economic discontent could be the new source of instability. How would you comment on this and how do you see the region's future in terms of social and economic policies?**

- You are quite right. The nature of the protests in Bosnia & Herzegovina lies in deep discontent, which has nothing to do with political colours but rather an economic and social situation which is gloomy and depressing. It is no surprise that people protest. They are hungry, jobless and desperate. They hold their government accountable for all the promises tinged with a European future. And while they make almost no progress in approaching Europe, they see Europe as close as their backyard, introducing e-cards



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edonia and Croatia who adopted the strategy stand behind it decisively and are determined to provide better quality of life for their citizens and lead them out of the current crises, with our support and that of the European Commission.

Technically, once the process of creating and adopting regional action plans for each of the Strategy's dimensions and the SEE governments' national strategies serving as an action plan for SEE 2020's implementation are ready, all SEE stakeholders will meet to discuss the progress and steps to follow. This is meant to happen in June 2014, in Bucharest at the Strategy's Governing Board meeting, which takes place back-to-back with the RCC annual meeting and the meetings of the Southeast European Cooperation Process (SEEC) foreign ministers and heads of states.

Another equally important aspect of the strategy's implementation is the designing of a comprehensive monitoring mechanism. This is the task of the RCC and we are preparing a baseline report, which will serve as a basis for the monitoring process, and plan to present it at this joint meeting. Monitoring plan is a very important tool, since we want to enable a mechanism through which every citizen in the region could have the data on SEE 2020 implementa-



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enabling simple movement of labour on the EU territory, declaring it a roaming-free zone, removing education barriers etc. They feel like Europeans but live as though they are light years away, metaphorically speaking. Unfortunately, the economic and social situation is difficult across the entire region.

That is exactly what we want to address with the SEE 2020 strategy. Let me repeat: we want to create one million jobs in the region by 2020. These are not unrealistic expectations, as the RCC uses this figure as a starting point wishing to return these people to work.

Young people should also engage more in politics and manage the processes in their own country in a creative way. I invite them to do so.

■ **To what extent do economic crises, on the one hand, and outstanding political issues such as Kosovo, the functioning of Bosnia's institutions or the Macedonian name dispute, on the other, make the work of the RCC and improving cooperation in the region difficult?**

- Based on consensus and agreement by Serbia and all others, Kosovo\* is a full participant in the RCC. People from Belgrade, Pristina, Skopje, Podgorica etc. sit in our meetings and talk to each

other on a daily basis, while participating together in all our activities. And that is a fact.

These unresolved political issues you mention do slow down inter-regional dialogue to some extent. However, when it comes to the RCC-driven economic growth strategy, which is a focus of our work, the political aspect is set aside due to more engaging, more important economic topics that we have in common and are trying to resolve.

■ **In your opinion, what are the current common interests of the countries of the SEE region as a whole?**

- The region strives to be a part of the European family of nations. That is a common denominator for the entire region.

The enlargement process, as Commissioner Füle recently stressed at the London meeting of the European Bank for Reconstruction and Development (EBRD), focuses on improving economic governance. It brings us back to the RCC-initiated but regionally-owned economic growth strategy SEE 2020 – economy is the key issue.

We must be honest and admit to ourselves that the European family would not take ‘the ugly stepsister’ as we economically appeal to them. We need to embark on self-improvements in socio-economic terms in order to become desirable family members.

■ **You said recently that one of your priorities is for the EU to fully recognise the region’s interest when preparing the new strategy on funding development through pre-accession funds – IPA 2, which Brussels is working on as we speak. How can this be achieved?**

- The RCC will be consulted during the process of making decisions about the use of these funds at the regional level. I think this is a practical way to maintain the EU integration dynamics and simultaneously enhance the region’s stability. For the future, the earlier-mentioned results of the RCC-led monitoring of the SEE 2020 implementation would play an important role not only in progress reports for the EU candidate and potential candidate countries, but also for the allocation of IPA funds.

This testifies to the EU’s permanent support and commitment to the inclusion of the entire Balkans, just like it was decided ten years ago in Thessaloniki.

■ **Where do you see the potential challenges and setbacks regarding the development of permanently stable and good neighbourly relations in the region?**

- The region has suffered a lot in the past 25 years, but I believe we learned the lesson and learned it well. A lot has changed and a lot

has been done in the past years. Learning is not a definitive process but rather one that evolves, and we keep on learning. I am not saying that there would be no obstacles, for there surely would. But as long as we believe in our cause and see our path and mutual goals clearly, using regional cooperation as a vehicle, the end result can only be a positive one.

■ **Is it too early to hope to see the permanent reconciliation of relations just two decades after the end of the war, especially in light of the fact that we are still discovering mass graves?**

- There are still vivid images of suffering and grief caused by the past conflicts. Healing does not happen overnight and full reconciliation takes time. However, what we are seeing now is a different region – streaming forward and looking for better living.

Over the past years regional cooperation was seen in the context of reconciliation, but it is slowly changing. The generations born after the conflicts are those who are now looking for work today, looking up to their peers in the developed countries, seeking something better. It is them and many more to come that dictate different needs and drive the region forward.

■ **How can the RCC contribute to accelerating the process of European integration in the region?**

- The crisis has threatened the region’s outlook for joining the EU. We must always be aware of the fact that EU citizens will not support the accession of countries that are economically much weaker than the Member States and countries which are not based on the rule of law.

Full implementation of the SEE 2020 strategy and attainment of specific and measurable goals set out by the strategy is the way to mitigate gaps and come closer to EU standards in education, employment, working conditions and productivity. Special efforts are needed to fight corruption and organised crime.

Strong support to the entire process of SEE 2020 implementation comes to the RCC from the EU, i.e. the European Commission (EC) financially supported the development of the strategy and also intends to include some of the measures and goals into its strategic documents. This means that achieving SEE 2020 goals will become part of the EC dialogue with the countries of the region that aspire to join the EU. In practice, this means that, as of this year, the region’s candidate countries should also be discussing progress on the implementation of this regional strategy within their EU accession negotiations. ■

*\*This designation is without prejudice to positions on status and is in line with UNSCR 1244 and the ICJ Opinion on Kosovo’s declaration of independence.*



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