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NEW VISION for South East Europe

INVITATION FOR COOPERATION

EU wishes to incite South East Europe countries to cooperate in large-scale infrastructure programs

NEW DEAL FOR THE BALKANS: EU GIVES € 600 MILLION

HIDO BISCEVIC heads the South East European countries Regional Cooperation Council to which EU gives € 600 million worth support for development and cooperation

- EU invests funds for Balkans security and stability -

The European Union is prepared to support South East European countries with 600 million euro of initial funds by the end of year, and will be joined by the European Bank for Reconstruction and Development, European Investment Bank, World Bank and other financial institutions and donors in this, thus increasing the initial funds. It is a new deal for the Balkans, i.e. a completely new development stage of South East Europe after 20 years. The entire approach is based on the fact that each country individually can have larger benefits through regional cooperation and within the Regional Cooperation Council. It is the most important institutional link of South East Europe with the EU and is headed by Croatian diplomat, Hido Biscevic. The Council was established last year and is the successor of the former Stability Pact for South Eastern Europe.

Economic crisis, issues regarding ratification of EU member states' Treaty of Lisbon, blockade of Croatian negotiation process due to bilateral dispute with Slovenia as well as increasing resistance of EU member states as regards the Union enlargement have lately again threatened the European perspective of the Western Balkans.

The Union's attitude towards this part of Europe brings about increased euro-scepticism on the Balkans and threatens a repeated instability of the region, which has so far been realized only by the United States of America. However, the latest project of EU assistance to this region is a clear signal that the EU did not forget the Balkans, and that reforms will eventually pay off regardless of current problems the EU is facing.

The five priority areas of Regional Cooperation Council's activities are: economic and social development, energy and infrastructure, justice and home affairs, security issues, building human capital. During Biscevic's visit to Zagreb when he presented the projects, he said that European Commission was preparing a strategy complementary to the existing individual approach to pre-accession funds of each individual country, a "multi-beneficiary strategy" where governments of the countries from the region will be invited, on the cross-border basis with one or more neighbouring countries, to propose concrete development projects in priority areas of the Council's work. On that occasion, he said that he believed the largest portion of projects would be in the field of energy, infrastructure and economic cooperation.

Biscevic said that a large conference on cross-border utilization of vast water potentials was planned to be organized in cooperation with the World Bank and the UN since South East Europe, when compared, has the most rivers and waterways which are poorly utilized in terms of transport, irrigation and generation of electric energy.

The Council is currently focusing on three main areas of work. Together with the European Commission and the Swedish EU Chairmanship, it is preparing a conference on a new deal for the region and large-scale infrastructure development projects in autumn. Furthermore, together with the European Commission, it is preparing a new strategic platform for development of the region through widening the Instrument for Pre-Accession Assistance Program network based on which the countries were invited to jointly, where they deem there are development interests, propose projects which the EU will finance alone or together with international financial institutions. There are around twenty such projects already.

A number of individual projects are implemented in cooperation with other international partners, such as the South East European Fire-Fighting Regional Centre and the regional Catastrophe Risk Insurance Facility, as well as a wide range of similar projects.

- Unfortunately, much of the funds offered by the EU remained unused -

Answering *Nacional's* question whether presently, in times of the largest crisis, the EU has funds to assist the region, Biscevic said: "There are funds even in these difficult financial circumstances. Sometimes, unprepared projects or bureaucratic barriers on both sides represent a greater problem. If I mention that less than 10% of means was distributed from the Multi-Beneficiary IPA Program last year and that around 15% of means remained unspent from 2007, this clearly speaks of inefficiency. I hope that the crisis impact will also serve as an incentive, coming to one's senses that just working routinely is no longer an option. Presently, it is easier to attract funds for regional than for national projects, especially when it comes to the region's largest deficit, i.e. underdeveloped infrastructure, be it the transport or the energy one."

Despite everything, one still gets the impression that the EU has neglected South East Europe due to a range of reasons from economic crisis, issues regarding ratification of Treaty of Lisbon, increasing resistance to EU enlargement and similar. Biscevic says: "It seems to me that euro-scepticism is mostly increasing in the Union itself, among the citizens of EU member states. Presently, hardly any politician would win elections on enlargement policy. Lessons from the last round of enlargement and economic crisis cause a certain closure tendency. There are talks on maintaining European perspective for countries from the region, but in my opinion, turning the perspective into a concrete negotiation process is too slow and does not contain sufficient strategic vision and determination. A certain "yielding" and slipping is felt and the example of Croatian blockade bears, from the region's point of view, very difficult, not to say ominous, message on credibility and even political consistency when it comes to principles and values of the European Union. Hence, there is a danger of euro-scepticism increase in the region, but there is an even greater danger, the danger of renationalisation of political platforms."

Biscevic emphasized that it is difficult to talk constantly about European closure and neglect the other side of the medal: "If the political elites in the region fail to show sufficient historical determination to resolve the remaining issues with statecraft and bold decisions in order to maintain the process of Europeization of this part of Europe, it will only continue to give arguments to those who openly or indirectly and even secretly attempt to stop the enlargement. Responsibility is mutual. I advocate the position that a clear message has to come from the region: we will resolve open issues and shape the architecture of security and stability, and in return, leave the door open

and help us maintain our economy in the economic crisis the consequences of which in their full force and seriousness are just approaching the shores of this region.”

IN SEARCH FOR PROGRAMS

Increase of Funds

■ **The Regional Cooperation Council was established last year as the successor of the Stability Pact for South Eastern Europe. It is the most important institutional link of the countries from this area and the EU. The EU has conceived a new modus of development and offered initial funds amounting to 600 million euro for projects in which the countries will mutually cooperate. The funds will increase over the time since other financial institutions will also join the project.**

Photos:

HIDO BISCEVIC with foreign affairs ministers at the summit of heads of states and governments of South East Europe Cooperation Process (SEECp) held on 4 June in Chisinau, Moldova

MEMBER OF THE EU PARLIAMENT Doris Pack at the Regional Cooperation Council Secretariat in Sarajevo with Hido Biscevic

EU COMMISSIONER – European Commissioner for Science and Research, Janez Potocnik, with Hido Biscevic

HIDO BISCEVIC with Czech, French and Swedish ministers of foreign affairs, Karel Schwarzenberg, Bernard Kouchner and Carl Bildt

PRESIDENT of the Republic of Croatia, Stipe Mesic, with Secretary General of the Regional Cooperation Council, Hido Biscevic