



Regional Cooperation Council



SEE2020
SOUTH EAST EUROPE 2020

CONNECTIVITY



This project has been
financed by the European Union

PROGRESS TOWARDS MEETING THE SEE 2020 TARGETS

SEE 2020 HEADLINE INDICATOR	2010 (BASELINE)	PROGRESS TOWARDS THE TARGET	2020 (TARGET)
GDP per capita relative to the EU average (in PPS), %	32	17%	40
Total trade in goods and services (EUR million)	54,686	32%	129,500
Trade balance, trade in goods (% of GDP)*	-22.1	192%	-20.8
Intra-regional trade in goods (% of GDP)	10,6	-15%	14.3
Overall FDI Inflows (EUR million)	3,587	27%	7,300
GDP per person employed (EUR)	26,597	24%	36,300
No of highly qualified persons in the workforce (mil)	1,09	146%	1,44
Net enterprise creation (no. of companies)	29,633	N / A	26,790
Share of Renewables in Gross Final Energy Consumption*	27.1	62%	31.2
Employment rate - age group 20-64, %*	48.7%	57%	55%
Government's effectiveness, WGI (scale 0-5)	2.21	52%	52%

* Targets 3, 4, 9 and 10 are new indicators as per decision of the SEE 2020 Governing Board. The 2020 values for targets 3, 4 and 10 have been proposed by the RCC to the SEE 2020 Governing Board, based on the forecasting exercise done during the reporting period.

CONNECTIVITY

The Regional Cooperation Council is working towards

better **connected South East Europe integrated** in the EU digital, transport, and energy networks and an **active** contributor to the relevant EU policies

WHERE DO WE WANT TO BE?

Our goals are:

DIGITALLY INTEGRATED AND ROAMING FREE REGION

- **Digital infrastructure developed** improving regional connectivity
- **Enhanced cyber security**, trust services and data protection
- **Upgraded digital skills**, accelerated digitization and uptake of smart technologies in our region
- **Roaming free** region, compliant with EU digital single market, which keeps people connected and businesses more competitive

MODERNISED TRANSPORT INFRASTRUCTURE

- Well **connected** South East Europe with **modern** and functional **transport** infrastructure
- Decarbonised transport based on clean vehicle and clean fuels

SUSTAINABLE ENERGY & SAFEGUARDED ENVIRONMENT

- **Secure** and **affordable** energy in integrated regional market-efficiently used with greater share of **renewable** sources
- **Clean air, water and soil in economies**, resilient and adaptable to climate change

WHAT DID THE RCC DO SO FAR TO GET THERE?

We put the **Digital agenda** into the regional leaders' focus, by

- preparing the Multiannual Action Plan (MAP) for a Regional Economic Area (REA) in the Western Balkans Six, which integral part is digital integration

We supported regional agreement that led to a cut of **roaming costs** up to 80% in the region, as we

- **delivered** the **first regional**-scale legal, regulatory and market impact study of the **Regional Roaming Agreement** and set regional policy **dialogue** framework to continue with further reduction of **roaming charges**

We **promoted and supported protection** of environment and use of clean energy, by

- **establishing** regional intergovernmental **environment platform**, which streamlines key regional

Did you know that in Serbia for instance, following the entry into force of the Regional Roaming Agreement, data traffic increased by 282% in Q3 2015; 307,4% in Q4 2015; 235,1% in Q1 2016; and 145,8% in Q2 2016; compared to the same periods previous year!

In Montenegro, the amount of transferred data of prepaid and postpaid users increased by 287.32% in the second half of 2015 compared to the same period in 2014.



WHERE DOES THE REGION STAND NOW?

South East Europe

- Is poorly connected and lacks adequate infrastructure
- Has pronounced connectivity gaps with the EU
- Is digitally lagging behind developed EU countries.
- Still has high mobility costs
- Does not use its energy, environment and ICT sector potentials
- Its energy market is not fully liberalised yet
- Has high energy inefficiency, especially in the public sector
- Suffers from domination of conventional energy sources and high pollution
- Its resilience to climate changes is low and average temperatures are still growing

It is estimated that it would cost

9.64 BILLION EUR

to implement the priority transport projects in the region

EU has pledged

1 BILLION EUR

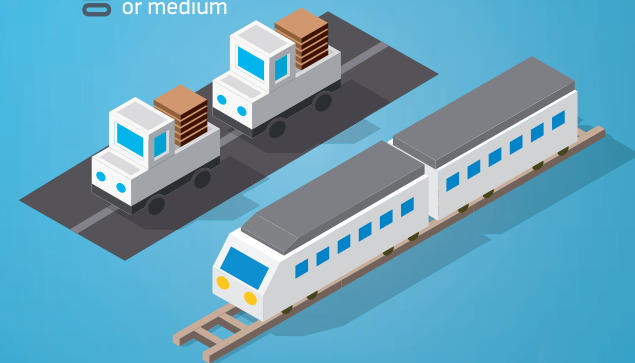
for key connectivity related investments over the 2015-20 period

SEETO's

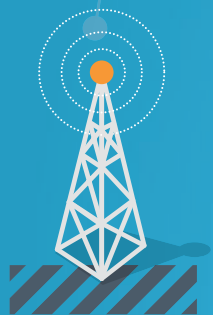
assessment of the quality of infrastructure in the region

28% OF ROAD core network was assessed as either poor or medium

74% OF RAILWAY core network was assessed as either poor or medium



WHAT THE PEOPLE/BUSINESS THINK?



AFTER TRANSPORT, TELECOMMUNICATIONS INFRASTRUCTURE UPGRADE come second with a relatively high number of SEE citizens

16%

prioritizing it, while electricity ranked third

with **10%** SURVEYED



MOST PEOPLE IN THE SEE REGION,

73%

perceive climate change as a problem, with

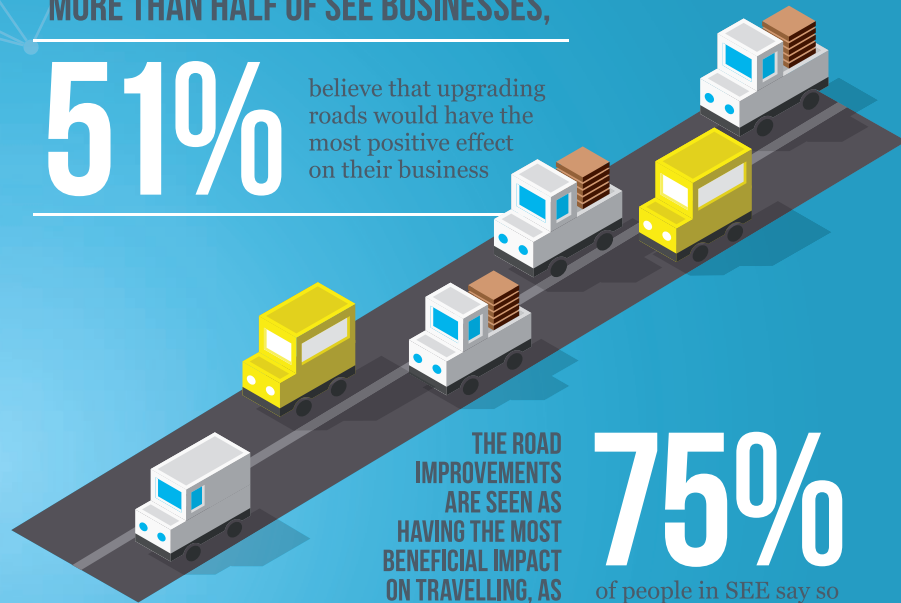
ONLY 22%

of those who do not consider climate change a serious problem at all

MORE THAN HALF OF SEE BUSINESSES,

51%

believe that upgrading roads would have the most positive effect on their business



THE ROAD IMPROVEMENTS ARE SEEN AS HAVING THE MOST BENEFICIAL IMPACT ON TRAVELLING, AS

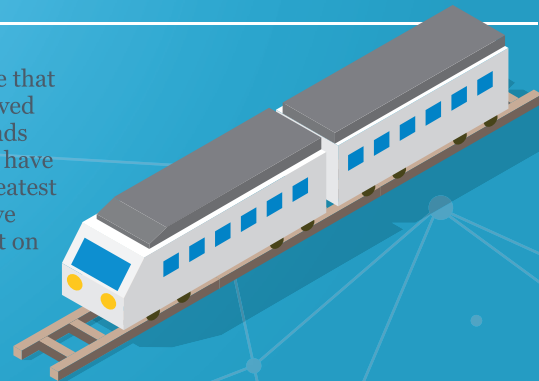
75%

of people in SEE say so

16%

OF POPULATION IN THE SEE REGION

believe that improved railroads would have the greatest positive impact on travel



WHAT THE RCC WILL DO NEXT TO CHANGE THIS?

- Boost **digital infrastructure development** and regional connectivity
- **Harmonize spectrum policy** to ensure timely and efficient availability and boost deployment of standardized 5G networks
- Coordinate roaming policies towards a **roaming free economic area**
- **Enhance Cyber Security in Western Balkans**
- Develop and strengthen **supply of digital skills**
- Promote uptake of **Smart Technologies and Accelerate Digitization**
- Intensify work on **decarbonisation** of transport
- Encourage broader use of **alternative energy sources**
- **Enhance** regional cooperation in environment, **climate change** and energy efficiency sectors
- **Integrate** environment and climate policies into other policy areas, such as **energy**, transport, **agriculture**, etc.

HOW?

We will:

- **Work together** with all relevant participants in **roaming** and **broadband** reforms
- Assess effects of abolishing roaming charges in the EU on WB and **coordinate** extension of the Regional Roaming Agreement – both geographically and to regulate further **reductions**
- Organize the first **Western Balkan Digital Summit 2018**
- **Coordinate** regionally the telecom-related structural reform measures
- **Raise** awareness for broadband **infrastructure** deployment
- **Improve** corridor **management** and support deployment of modern **ICT** solutions in **transport**
- **Work** closely with Regional Working Group on **Environment** and **streamline** the key regional **projects**
- **Mobilise** highest political **commitment** for addressing environment and **climate change** challenges in SEE
- **Integrate** environmental policy with other sectors such as **transport**
- Analyse expected climate change and **propose** regional **adaptation strategy**

THE RCC TEAM IN CHARGE OF CONNECTIVITY FLAGSHIP:



**MAJA
HANDJISKA
TREDAFILOVA**

**COORDINATOR OF SEE
2020 STRATEGY**

T +387 33 561 719

F +387 33 561 701

E maja.handjiska-trendafilova@rcc.int

**RADOVAN
NIKČEVIĆ**

**EXPERT ON
CONNECTIVITY**

T +387 33 561 737

F +387 33 561 701

E radovan.nikcevic@rcc.int



The Regional Cooperation Council serves regional cooperation and European and Euro-Atlantic integration of South East Europe in order to spark development in the region to the benefit of its people

DIGITAL INTEGRATION

TRANSPORT

ENERGY & ENVIRONMENT

Good. Better. Regional.



Regional Cooperation Council Secretariat

Trg Bosne i Hercegovine 1/V
71000 Sarajevo, Bosnia and Herzegovina
T +387 33 561 700 F +387 33 561 701 E rcc@rcc.int



rcc.int



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