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Interview of Regional Cooperation Council Secretary General Majlinda Bregu for Beta news agency

Majlinda Bregu: We need to create a region in which our youth wants to stay

Secretary General of the Regional Cooperation Council (RCC) Majlinda Bregu stated that the forthcoming Berlin Process Summit, if politicians agree, could make a major difference for an average citizen of the Western Balkans.

In an interview for Beta news agency, Bregu indicated that at-risk-of-poverty rate in the region is increasing and that, according to the IMF projections, none of the WB6 is to reach 2021 growth rate even in 2027, pointing out that it is in the times of crisis that regional cooperation shines into the light. Bregu stated that IMF inflation rate projection for our region goes at 27.8% with consumer prices growth up to 12.8% in 2022.

She added that the weighted average of WB6 GDP growth in 2021 was 11.6% and that such a high GDP growth rate came on the back of the contraction of 3.1% in 2020 which is the base year and that “the current year GDP growth rate is projected as much lower as the WB6 economies are strongly connected to the Eurozone”

Pointing out that the higher inflation disproportionately affects the poor, Bregu expressed concerns that “since the population in our region spends more than 50% of their budgets on food and beverages and electricity, gas and other fuels, more households could be pushed into poverty, especially considering that at-risk-of-poverty rates in the region are already high (and higher than the EU average of 21.9% of the population)”.

Bregu stressed that the crisis “calls for sober reflection on the challenges, vulnerabilities and opportunities too” and that is where regional cooperation shines into the light, reminding of the cooperation at the times of pandemic and roaming free region, as good examples.

Bregu said she believed that “regional economic integration in WB is not a self-standing process if not accompanied by concrete plans and a clear roadmap on how and when the Western Balkans can start the concrete phasing in process with EU”.

“Or, in other words align the policies and access to the Single Market, which was rightly so proposed for Ukraine from President Von der Leyen,” added Bregu.

In this context, said Bregu, “the launching of the long-due accession talks with Albania and North Macedonia, was a welcomed display of the geopolitical maturity of Europe, which with a war in continent, does not have the luxury to face a new security crisis in the Balkans”.

“I hope the candidate status will be granted to Bosnia and Herzegovina, and a visa free regime to Kosovars. This sends a good message to the citizens,” she added.

Bregu reminded that for the first time in 8 years Balkan Barometer recorded a negative trend and drop in support for EU integration, with 60% of WB citizens considering EU membership to be a good thing.

“An increase of the pessimism among the citizens that their economy will never join the EU also weighs heavily on us. Last year it was 22% and now it is 28%,” she said.

Bregu pointed out that in 2018, in a single year Western Balkan region lost 1.3% of its overall population, and that is counting only those who legally migrated to the EU.

“In general, depopulation threat is looming over the entire SEE, which could lose nearly 30 million people in this century – and these are not the pessimistic predictions,” she stressed.

Speaking about energy situation, Green Agenda and the coming winter, Bregu said that “a cascading effect of higher energy and oil prices leads to higher transport costs” which could, according to the World Bank predictions, “affect the possibility of diaspora to travel to the Western Balkans and maintain remittance flows”.

“Indeed, the region records a slight decrease in remittance inflows, with the WB average net remittance inflows (as % of GDP) falling from 7.1% in 2021 to 6.6% in 2022,” she said.

Bregu also said that, according to the World Bank predictions, the median government debt was expected to increase from 39.6% to 46.4% of GDP in 2022.

“In translation, that is how much energy supply might eat up the GDP in our region, affecting the readiness and ability of the region’s governments to implement the Green Agenda for the Western Balkans. Therefore, we will need more financing, decarbonisation plans, synergies with EU instruments, appropriate information campaigns, etc. to accomplish this,” she added.

Bregu believes that the Western Balkans has to look for a sustainable system to secure its energy supplies and that “the only right way is through a sound green growth perspective and accelerated clean energy transition, which would make the energy systems greener and more autonomous”.

“Despite the difficult situation on the energy markets at present, with harrowing energy price hikes and high vulnerability to these price shocks, our region needs to stay on the course of decarbonisation-focused reforms,” she said.

According to her, the reason is that “decarbonised power systems can provide both security and affordability” adding “social elements here like health or citizens’ wellbeing, which should be a starting point for every top policy-maker”.

Bregu stressed that a sustainable vision lays at the core of the Green Agenda for the Western Balkans that the RCC coordinates, adding that it is high time the region owned the implementation of the net-zero regional strategic framework.

“This requires a broad consensus on the vision and the time-bound dynamics for decarbonisation, and connecting the market both within the region and with the EU, or as we call it, phasing in the EU policies. Coupling the EU and the WB energy markets is the only way out,” indicated Bregu in her written interview for Beta.

According to her, regional approach is part of the solution of the actual energy security challenges.

“When the circumstances separate us, the way through it is together,” she said and added that “fostering regional integration and cooperation to share reserves, promote electricity trade and accelerate the creation of regional energy market to take advantage of complementary energy sources is a win-win scenario for all.”

“And this is an extremely good opportunity to capitalize on relatively-small geographical footprint and common historical networks, and infrastructural ones. Regionally integrated power system lowers consumer costs, and regional cooperation is absolutely necessary to share the burden of the coal to clean switch,” added Bregu.

However, Bregu pointed out that the Western Balkans “can’t walk alone in this process” and that “the EU must integrate the region in its measures, solutions and initiatives on the issue to the maximum extent possible. Integrating from the design phase, not as an afterthought.”

“Acting in a coordinated way and demonstrating solidarity among the region is important - but equally so is the coordination and solidarity with the EU Member States,” she added.

Bregu said that in the coming two weeks she would be taking part in the Berlin Process meetings of foreign, interior, economy and energy ministers from the Western Balkans, and subsequently the heads of states and governments of the Western Balkans (WB) and the EU at the Summit, in Berlin on 3 November.

She voiced confidence that the Berlin Process two would have a good start and that the upcoming two weeks, if politician agree, could make a major difference for an average citizen of the Western Balkans.

The ministerial meetings and the Summit, accompanied by the Youth, Civil Society and Business Forums are, according to her, organised by the German Government, as a part of the annual Berlin Process WB-EU meetup and this year, energy security, green agenda and Common Regional Market are the main focuses of the Summit.

Bregu reminded that it has been almost two years since the adoption of the CRM in Sofia and that pushing for Regional Agendas has not been easy so far, but that “opening of the Green Lanes during the pandemic, and Regional Roaming Agreement enabling roaming free Western Balkans coming into force in July 2021, have given us a ray of light in the times of uncertainty”.

She stressed that “the time has come to move forward, step up and push that bar even higher, and continue with delivering the results - real, tangible benefits for the citizens of this region.”

Citizens of the region, according to Bregu, should be able to study, do their research or work wherever they wish in the region; to travel with their ID cards only; to have cleaner air, and secure, clean and affordable energy sources.

“We need to push stronger forward in creating a region in which our youth, our children want to stay. Therefore, although cautiously optimistic, I’m looking forward to the next two weeks, hoping that on 3 November the commitment to progress and cooperation in the region will be ever deeper... Looking forward to end this really harsh 2022 on that uplifting note,” added RCC Secretary General Majlinda Bregu in her interview for Beta.