

# ANNUAL REPORT

of the **Secretary General**  
of the **Regional Cooperation Council**

# 2019 - 2020



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Sarajevo, June 2020

# Table of Contents

|    |  |
|----|--|
| 4  | <b>Foreword</b>  |
| 6  | <b>Summary</b>   |
| 9  | <b>General Trends in Regional Cooperation in South East Europe and the Role of the RCC</b>   |
| 15 | <b>Developments in Priority Areas of Regional Cooperation in SEE and the Role of the RCC</b> |
| 18 | <b>Horizontal Activities</b>   |
| 19 | <b>Programming Activities</b>  |
| 19 | <b>Coordination and Monitoring Activities</b>  |
| 20 | <b>A.1 Skills and Mobility</b>   |
| 20 | A.1.1 Removal of obstacles to mobility of students and highly skilled workers                |
| 21 | A.1.2 Removal of obstacles to mobility of professionals                                      |
| 21 | A.1.3 Removal of obstacles to mobility of researchers  |
| 22 | A.1.4 Employment and Social Affairs Platform   |
| 24 | <b>A.2 Connectivity</b>  |
| 24 | A.2.1 Digital Integration Agenda   |
| 26 | A.2.2 Environment and Sustainable Development  |
| 27 | <b>A.3 Competitiveness</b>   |
| 27 | A.3.1 Investment integration   |
| 28 | A.3.2 Industrial Development   |
| 29 | <b>B Governance, Rule of Law and Security Cooperation</b>                                    |
| 29 | B.1 Rule of Law  |
| 30 | B.2 Security Cooperation   |
| 32 | <b>C. Cross-cutting issues</b>   |
| 32 | C.1 Communication  |
| 36 | C.2 Parliamentary Cooperation  |
| 37 | C.3 Roma Integration 2020  |
| 38 | <b>List of abbreviations</b>   |

# Foreword

20 years since the 2000 Zagreb Summit, a turning point in the relations between the EU and the participants of the Stabilization and Association Process (SAP), the European path of Western Balkans has been firmly set in the principles of regional cooperation. In 2020, the anniversary of this historic event is rich in symbolism which intertwines the past with the present and provides founded hope and opportunities for the future.

We await eagerly the video conference of the EU and Western Balkans leaders, which is due to the outbreak of the pandemic being organized in place of the EU-Western Balkans Zagreb Summit, hosted by the Croatian Presidency of the Council of the EU. At the 2000 Zagreb Summit, regional cooperation was made the cornerstone of the Western Balkans EU accession. At the 2020 video conference under Croatian Presidency, regional economies would showcase deliverables in socio-economic integration and cooperation indicative of Western Balkans as an increasingly inter-connected regional space.

Just as the year 2000 was a turning point, so too 2020 brings a renewed boost to the EU perspective of the region. The Commission has presented the new enlargement methodology in February 2020, the Council agreed to open the negotiations process with Albania and the Republic of North Macedonia, and France, 20 years ago the initiator of the EU-Western Balkans Summit, re-joined the Board of the Regional Cooperation Council.

The region has come far, that is true, but not as far as the citizens expect from regional cooperation and from what the regional potential allows.

Citizens' faith in regional cooperation and high expectations that go with it were affirmed again in this year's Balkan Barometer Survey, in which 77% of respondents said they believe that regional



*Secretary General  
of the Regional Cooperation Council (RCC)  
Majlinda Bregu*

cooperation contributes to a better political and economic climate in their respective economies. The overall satisfaction with life in the region was also positively noticeable. After several years of stagnation, this marked increase of interest in regional affairs indicates untapped potential for greater engagement within the region. At the same time, support for EU membership is growing across much of the region with 59% endorsing accession (a cumulative ten-point increase on 2017).

Nevertheless, in some respects, 2019-2020 has demonstrated certain hesitations and reservations which do not benefit the regional agenda, and even less so the progress on the European path. Bilateralism cannot be expected to resolve structural deficiencies which economies share and aid the convergence necessary to improve the living standards and encourage young, educated people to stay and contribute to their communities.

The pandemic which has changed our daily routines and imposed restrictions on our activities should not stop us, but remind us that together we are stronger. We depend on each other to ensure that the flow of goods and medicine continues and none of our economies and people suffers shortages. To this end the RCC initiated a regional consultation to discuss the possible joint regional actions to mitigate the consequences of the COVID-19 pandemic outbreak, in particular concerning the unobstructed transport of goods. The consultations were hosted by RCC in light of the recognition from the SEE participants that the nature and severity of the situation require a regional response. In addition to government representatives, representatives of the European Commission, the Transport Community (TCT), the CEFTA Secretariat, Disaster Prevention and Preparedness Initiative of SEE (DPPI) and the Chambers Investment Forum (CIF) were part of the consultations.

The RCC Secretariat strongly supports regional action toward mitigating the immediate and mid-term health and economic consequences of the Covid-19 pandemic outbreak. It stands fully ready to facilitate coordination of these efforts among its participants, either by continuing to host consultations of the established platform or by any other action per request of the participants.

Let us therefore march through 2020 and the new decade with even greater commitment and with new energy. Let us meet and exceed our potential. Let us grow and progress together as prosperous, healthy, inclusive democracies.

**Majlinda Bregu**

Secretary General, Regional Cooperation Council

# Summary

Between April 2019 and April 2020, developments in South East Europe (SEE) provided ample opportunity to reflect on the path which had been taken, the commitments that have been made and the priorities which would guide the region toward a future of stability and prosperity. Regional cooperation remains the lighthouse toward which we steer, even in difficult times of changing weather. Regional Cooperation Council (RCC) has, this year as all the ones before since 2008, devoted its efforts to facilitate the journey.

At the turn of the decade the region wrapped up the implementation of the Strategy and Work Programme (SWP) which had provided the basis for action between 2017 and 2019. The new triennial strategy, SWP 2020-2022, developed under the defined priorities and guidance of the South East European Cooperation Process (SEECP) and in coordination with a wide range of regional partners, builds and expands

on the successes and lessons learnt to push forward the socio-economic transformation of the region and its eventual accession to the European Union (EU).

During the period covered by this report, the region has made progress in the implementation of the SWP and the Multi-annual Action Plan for a Regional Economic Area (MAP REA), following the priorities outlined in the Conclusions of the Poznan Summit of the Berlin Process.

In promoting Skills & Mobility, the region has developed the facilitating tool for mutual recognition of academic qualifications – the Joint Information System, which is expected to be fully operational by the end of 2020. In the absence of full consensus, agreement on the Mutual Recognition of Professional Qualifications was not concluded, but in December 2019 a renewed commitment to unblock negotiations

*The Annual meeting of the Regional Cooperation Council (RCC) took place on 8 July 2019 in Sarajevo, Bosnia and Herzegovina (Photo: RCC/Armin Durgut)*



has been made. Moreover, with boosted emphasis on research infrastructure and cooperation, the RCC is facilitating the finalization of the Protocol on Open Access to Research Infrastructure, allowing researchers better access to data and resources available in the region.

In the field of Digital connectivity, after the Regional Roaming Agreement has been successfully concluded it provided the key prerequisite to pursue EU-Western Balkans roaming reductions, and these are now in the consultative stage of the process. The RCC has moreover facilitated advancing the comprehensive implementation of the Western Balkans Digital Agenda and led discussions on interoperability and recognition of trust services.

In Investments, the policy framework in the region has been upgraded, now enjoying modernized investment-related laws. In the implementation of the Regional Investment Reform Agenda (RIRA) steps have been made to find a common position to protect foreign investments and strengthen the negotiating position of the regional economies toward non-EU countries. Following the close cooperation with World Bank, groundwork has also been laid to begin work on regional financial market diversification.

RCC-implemented projects have contributed to the social inclusivity and sustainability of regional economic development. The Roma Integration 2020 project facilitated the signing of the Declaration of the Western Balkan Partners on Roma Integration in the process of EU accession. The Declaration set important benchmarks which the Project team is now helping regional governments to meet.

Employment and Social Affairs Platform (ESAP) launched its second phase, turning its focus on assisting the region tackle the issue of undeclared work, economic inactivity, and further development of employment policies.

Triple P Tourism project made progress in developing a regional touristic offer and promoting the quality and visibility of this valuable sector.



Finally, the work in security and good governance has continued, with the emphasis on enhancing practical use of the regional security cooperation platforms and assisting regional responses to current challenges related to the prevention of violent extremism and radicalism, including the returning foreign terrorist fighters as a growing concern. In continuous efforts to streamline and make regional cooperation more efficient, decision was made for the Integrative Internal Security Governance (IISG) to join the RCC umbrella.

RCC has facilitated a high-level dialogue on reforms related to the rule of law, supporting exchange of experience and good practices in the key aspect of EU accession.

Good regional relations and regional cooperation are the foundation of the accession process. In the past year their complex web sometimes made bilateralism seem as an easier choice, but regional leaders maintained their commitment. Although not all MAP REA deliverables were met this year, those that were demonstrated in tangible terms the concrete benefits of regional economic integration. Likewise, despite the initial postponement in October, Albania and the Republic of North Macedonia were given green light by the EU Council on 25 March 2020 to begin the negotiations process, showcasing that commitment to reform is the only path leading forward.



*Majlinda Bregu, Secretary General of the RCC and Genoveva Ruiz Calavera, Director for the Western Balkans at the European Commissions' DG NEAR sign 3-year contract on the EC support to regional cooperation in the Western Balkans in Brussels, 11 December 2019 (Photo; RCC/Laure Geerts)*

Nevertheless, the regular processes active in the region were suddenly brought to a halt by the outbreak of the Covid-19 pandemic, which engulfed the global community. Regional economies have introduced health and safety measures and sought ways to mitigate the crisis, in the immediate as well as in mid-term. In these unfortunate circumstances, importance of regional cooperation once more became evident. It is through a regional framework that economies can ensure a free movement of essential goods, support each other in economic recovery and find mechanisms for a better response to and prevention of natural disasters.

The RCC strives to utilize the most of region's potential and serve its needs in full, grounding firmly in the principles of inclusivity, sustainability, security and smart growth to enable all SEE citizens to take active part and continue making valuable contributions to their economies and societies. In this mission the RCC is supported by its partners: European Commission and its Directorate-Generals, World Bank, CEFTA, Chambers Investment Forum (CIF), World Economic Forum (WEF), Southeast Europe Transport Community

(TCT), International Labour Organization (ILO), EBRD, International Monetary Fund (IMF), European Investment Bank (EIB), World Trade Organization (WTO), USAID, UN and a rich number of other regional and international organizations, initiatives and friends.



# General Trends in Regional Cooperation in South East Europe and the Role of the RCC

Rarely may the developments marking South East Europe be described in a linear fashion. Twists, turns and surprises characterize the region, just as the immense potential apparent within. The past year was no different; on the contrary, we have witnessed historic decisions, new initiatives, strengthened solidarity, but also hopes which did not materialize as soon as we would have liked and some old hesitations.

Delivering on the regional agenda is however not an added value but a necessary precondition in moving forward on the path of EU accession. Regional ownership and initiative have been indispensable ingredients of the process ever since the 2000 Zagreb Summit, now 20 years ago. And the EU still remains the closest regional ally and the shared future of all regional economies.

The event most marking the preceding period in terms of European integration was the decision of the EU Council on 25 March 2020 to give the green light to opening the accession negotiations with Albania and Republic of North Macedonia. Both economies have made great strides and demonstrated laudable commitment to domestic reform process, and the initial failure of the Council to grant the beginning of negotiations in October 2019 was understandably met with disappointment. Nevertheless, it was a trigger for revising the enlargement methodology, strengthening and reinvigorating the EU accession process. The Commission's proposal, presented on 5 February 2020, is set to provide the necessary strengthening of the credibility and predictability of the process.

<sup>1</sup> From March onwards, activities unfortunately had to be cancelled or postponed indefinitely due to the outbreak of the Covid-19 pandemic

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

*Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity*

ROBERT SCHUMAN ★

*EU Member States reached political agreement to open the accession talks with Albania and Republic of North Macedonia, March 2020*

2019-2020 was furthermore a year of 'firsts', demonstrating progress achieved in regional cooperation and regional ownership. For the first time, in July 2019 Chairmanship of SEECF was assumed by Kosovo\*, which had only joined SEECF in 2014. Since then Kosovo\* C-i-O has been successfully navigating the ambitious work programme it has set,<sup>1</sup> highlighting connectivity, youth, culture, arts and tourism. Prishtina's first-time Chairmanship is indeed the evidence and inspiration that regional cooperation can move forward whenever there is genuine will. It is to the region's benefit to continue on that path, rather than to give in to bilateralism, a trend causing some concern in the past year.

At the SEECP Summit 2019 marking the transition from the Bosnia and Herzegovina's C-i-O to Kosovo\* Chairmanship, participants confirmed their commitment to regional cooperation and adopted RCC's SWP 2020-2022, calling for the strengthening of the RCC's role in the Joint Declaration.

Indeed, RCC has become increasingly recognized as the organization with experience and capacity to facilitate the process of regional cooperation across the field. In the preceding period, this was demonstrated by the decision of the EU and IISG Board (EU and all WB6 ministers of interior) to move this important security platform under the RCC's umbrella and in that way streamline regional action in the area of security cooperation. Moreover, RCC was called upon by COSAP to assist its efforts to expand parliamentary dialogue along all key areas of regional cooperation, in line with the Poznan Summit Chair's Conclusions.

Another notable move in strengthening platforms of regional cooperation came with the establishment of the Permanent Secretariat of the Southeast Europe Transport Community, two years after the Transport Community Treaty had been signed. It represents an important milestone and commencement of

progressive integration of Western Balkans transport markets into the European transport market, contributing to the implementation of the Western Balkans Connectivity Agenda.

The Berlin Process is this year hosted by two Chairmen: Bulgaria and the Republic of North Macedonia. Beginning of the joint Presidency was marked by the Ministers of Foreign Affairs (MFA) Ministerial meeting on 10 March 2020 in Skopje. In the Joint Declaration, Ministers of Foreign Affairs confirmed their commitment to robust regional cooperation in the context of European integration. Regional Economic Area was recognized as the key component of the Berlin Process, with tangible deliverables as the drivers of stability and prosperity in the region. Sofia Summit 2020 is expected to take stock of the progress made so far across the components of MAP REA and outline the next steps in the regional cooperation agenda.

Finally, Croatia is for the first time presiding over the Council of the EU. Many aspects of its priorities – a Europe that develops; a Europe that connects; a Europe that protects; an influential Europe – are closely reflected in the agenda of regional programmes as well, demonstrating the shared trajectory of the EU



Participants of the SEECP Summit held in Jahorina, Bosnia and Herzegovina, on 9 July 2019  
(Photo: RCC/Vedran Kurtes)



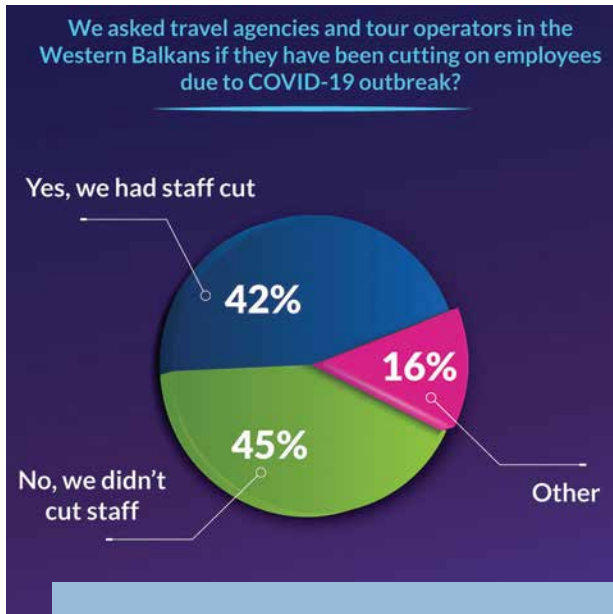
*Deputy Secretary general of the Regional Cooperation Council (RCC)  
Tanja Miscevic at the RCC Board meeting, in Sarajevo on 17 October 2019  
(Photo: RCC/Armin Durgut)*

and the Western Balkans. Croatia has been a staunch supporter of the EU integration of the regional economies and its Presidency will mark another important milestone in the process, namely the video conference of the EU and Western Balkans leaders to be held in place of the EU-Western Balkans Zagreb Summit on 6 May 2020. The meeting is expected to reconfirm the EU perspective of the Western Balkans by setting a roadmap on the accession process for the six hopefuls, and present a robust EU economic and investment plan for the region.

Both the Berlin Process Summit and the video conference are of crucial importance for boosting regional cooperation as opportunities to showcase new tangible deliverables, recognized as an impetus for EU integration at the Skopje Ministerial. Nevertheless, implementation of planned activities has to a large extent been affected, along with all aspects of socio-economic life (including general elections in, so far, two Western Balkans economies

– Serbia and the Republic of North Macedonia), by the outbreak of the Covid-19 pandemic. This pandemic and the subsequent measures introduced by economies toward its mitigation have created a new context with which the region will have to grapple.

In the immediate term, closed borders and restrictions of movement raised fears that the flow of essential goods, medicine and medical equipment could be obstructed, leading to shortages in regional economies. In response, the RCC hosted consultative meetings between Sherpas of the SEECP participants and representatives of European Commission, CEFTA, TCT, CIF and DPPI. Together the region has agreed on a 'green lanes' proposal, establishing Green Corridor crossing points for the transport of goods within the Western Balkans region, now used by 82 percent by trucks. This regional coordination has led to an altogether speedier and smoother border/boundary crossing of trucks carrying essential or priority goods.



*In April 2020 Tourism Development and Promotion Project conducted a survey with tourism agencies and operators working in the Western Balkans on consequences of COVID-19 pandemic to tourism sector. (Illustrations: RCC/Sejla Dizdarevic)*

As a consequence of the pandemic, the region is moreover facing an impending global economic downturn, with estimated GDP contraction in the Western Balkans ranging from -9,0 to -3,0 percent in 2020, and an expected slow recovery afterwards. The greatest, although not the only, hit will be shouldered by the tourism sector, which constitutes 10,2 percent of the overall regional GDP and 11 percent of employment. Strong regional action will therefore be of crucial importance in weathering the storm.

The shared tragedy of the spread of the virus has however already displayed admirable levels of solidarity at the level of the South East Europe, as well as between the EU and the region. Western Balkans economies and their immediate EU neighbors have provided medical kit donations and other forms of assistance to one another, whereas Turkey has sent medical aid consignments to nine South East European economies.

EU promptly reacted and provided support to the Western Balkans to tackle the health emergency caused by the coronavirus, as well as the socio-economic recovery of the region. Western Balkans have been included in the EU initiatives such as the

joint procurement schemes of protective personal equipment, and the implementation of a project with the European Centre for Disease Prevention and Control (ECDC) has been accelerated. Additionally, the EU is committing EUR 750 million package of Macro-Economic Financial Assistance.

With the aim to act proactively and prepare for the upcoming challenges, RCC Secretariat has started internal reflection on how best to contribute to the process of Western Balkans recovery in the aftermath of the Covid-19 pandemic, by reinforcing the regional cooperation as the most effective tool of recovery.

Providing a stable and effective response will be especially important in light of the progress made in previous years concerning the public sentiment, which has been steadily growing and in the latest Balkan Barometer findings (BB2020) for the year 2019 reached an all-time high at 46 percent. Citizens have expressed a significantly higher satisfaction with the way things are going in their respective economies than the year before. Concerns over unemployment and the overall economic situation have been falling, whereas brain drain and corruption are receiving more and more attention. Nonetheless, for most



European Union provided 700 million EUR to Western Balkans region to mitigate COVID-19 impact (Illustration: RCC/Sejla Dizdarevic)

respondents (26 percent), the feeling of hope first comes to mind when thinking about Western Balkans. 77 percent (compared to 74 percent in the previous year) now believe that regional cooperation would bring meaningful improvements to their respective economies, and support for EU membership is still

experiencing rapid growth – now standing at 59 percent.

Regional cooperation and EU perspective therefore remain firmly the cornerstone of future actions, as will be reflected in the deepening of the sustainable regional economic integration of the 2021-2024 Action Plan which the RCC has been mandated to develop, in tandem with the CEFTA Secretariat and the European Commission. Implementation of MAP REA between 2017 and 2020 has laid essential groundwork for regional transformation through enhanced connectivity in socio-economic terms – trade, investment, digital and mobility.

The Poznan Summit of the Berlin Process, held on 4-5 July 2019, exposed well the capacities of the region to work together to the utmost benefit of the citizens, as well as the opportunities which have not yet been fully realized. The Regional Roaming Agreement (RRA), the Declaration of Western Balkans Partners on Roma Integration and the Declaration on Recognition of Higher Education Qualifications in the Western Balkans are notable successes and commitments toward socio-economic progress of the Western Balkans and their approximation to the EU standards. Respectively, they are leading the region in



Western Balkans Poznan Summit held on 4-5 July 2019 (Photo: RCC/Erik Witsoe)



*RCC Secretary General Majlinda Bregu with Angela Merkel, Chancellor of Germany at the WB Poznan Summit in July 2019*

the direction of a single regional roaming space (Roam Like at Home regime – RLAH), greater social inclusivity of minority groups and eased process of regional labor mobility – all based on practices inherent to the principles of the EU single market.

Yet not all deliverables have been met by the Poznan Summit. After a long process of negotiations, the agreement on the Mutual Recognition of Professional Qualifications was not reached in the absence of full consensus on the agreement's legal basis. Likewise, full consensus was missing on initiating work on reaching regional standards for negotiating International Investment Agreements (IIAs).

The new Action Plan is set to upgrade these efforts and focus the regional attention firmly on the Digital and Innovation Agendas, transition to Green economy, dynamic industrial policy, support for the private

sector, strengthening human capital and extending safety net programs for the most vulnerable social groups.

As it seeks to build resilience, the new Action Plan will furthermore feature a security component, modelled on the EU security concept. Learning from the lesson of Covid-19, but also of disastrous earthquakes which have in recent times hit South East Europe (Albania, Turkey and Croatia), disaster preparedness and response capacity have gained new and more urgent importance.

In the coming months and beyond, the efficiency of regional economies to face emerging challenges will depend on their will and readiness to join forces for the common good. Working together is no longer the better option: it is the only one.

# Developments in Priority Areas of Regional Cooperation in SEE and the Role of the RCC

In the past year, RCC's Strategy and Work Programme 2017-2019 has been phased out, paving the way for the beginning of the implementation of the next triennial strategy, SWP 2020-2022. Dedicated work and accomplishments in the regional cooperation agenda over the last three years have provided excellent grounding blocks on which to build firm and sustainable structures of regional socio-economic

transformation. Accordingly, the new Strategy was given the title "Stepping up the Transformation".

Across the priority areas which have guided RCC's work and focus, the goals which have been set have to a larger degree been met by the end of 2019. The region may now boast a comprehensive Regional Roaming Agreement, which made personal and

*#RoamingFreeWesternBalkans: After the signing of the Regional Roaming Agreement in Belgrade on 4 April 2019, drastic cuts of roaming costs in the region begun on 1 July 2019, leading to lowering roaming costs with EU, and 0 costs in WB in 2021*

**#RoamingFree Western Balkans**

Regional Cooperation Council

4 APRIL 2019  
WB6 SIGN NEW ROAMING AGREEMENT

1 JULY 2019  
Up to -99%  
WB6 ROAMING PRICES DROP

2020 - 2021  
WB6 ROAMING PRICES STILL FALLING!

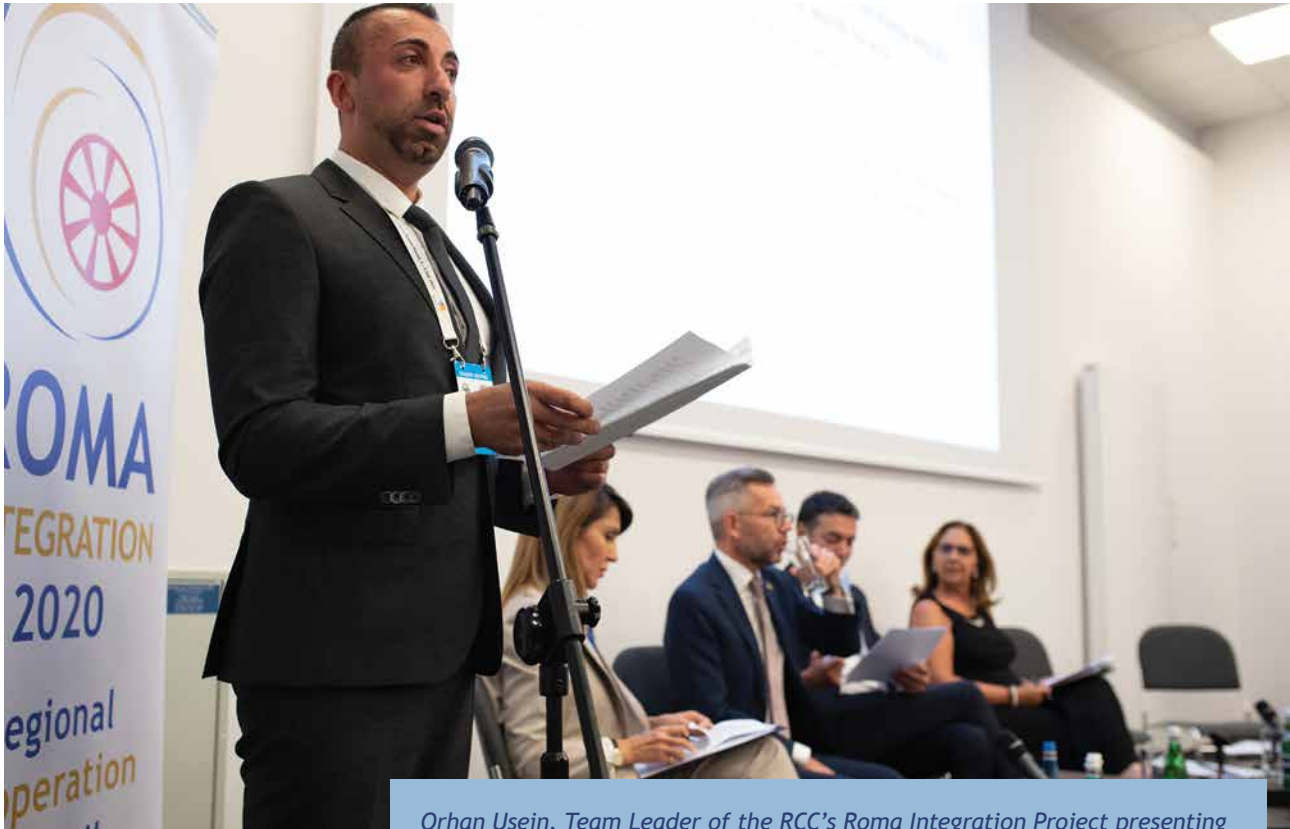
JULY 2021  
0  
#RoamLike@Home  
WB6 ROAMING COSTS 0

TALK, SURF MORE, PAY LESS  
Fol si n'shpi, cypfaj poveќе  
- plaćaj manje!

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*Orhan Usein, Team Leader of the RCC's Roma Integration Project presenting the Declaration of Western Balkans Partners on Roma Integration within the EU Enlargement Process project at the WB Summit in Poznan, on 4 July 2019 (Photo: RCC/Eric Witsoe)*

business connections within Western Balkans a much sweeter – and much cheaper – affair. Moreover, the Digital Agenda, spanning a range of issues related to digital connectivity, is well positioned to take the region onto the one-way road to the 4<sup>th</sup> industrial revolution.

Approximation to European standards has been the key goal, in mobility of workforce and researchers, as well as in investment integration. In both fields important frameworks have been established, modelled on the EU and introducing practices which best equip the region to make the most out of modern-day opportunities.

The three RCC projects have meanwhile been rushing the region into the embrace of the Inclusive and Sustainable Growth, pillars of the SEE Strategy, by assisting socio-economic integration of the Roma population in the Western Balkans, promoting the vision of the region as a single touristic destination, and supporting a viable and effective approach to employment and social affairs.

All the efforts have been buttressed by indispensable mechanisms of regional security cooperation, which have in the past year evolved beyond its confidence-building role into modes of practical training, and helped the region better understand and prepare for security challenges related to violent extremism and radicalism. The greatest achievement for the regional security agenda has however been the decision of the IISG Board to come under the RCC umbrella – a significant feat of streamlining and enhancing the efficiency of agenda implementation.

Finally, judiciary and legislative dimensions are, naturally, key ingredients to the mix. High level discussion on the rule of law in the region has been kick-started with a ministerial conference. Moreover, the Joint Declaration of the XVI COSAP conference invited the RCC to support the efforts toward the establishment of a parliamentary dialogue, in line with the Chair's Conclusions of the Poznan Summit.





*RCC team with winners of RCC organized “Looking for the summer” photo/video contest at the conference devoted to youth ‘How to better respond to European aspirations of the young generation in the Western Balkans?’, held in Bucharest on 28 May 2019 (Photo: RCC/Stefan Banu)*

We take all the lessons and new challenges as opportunities to grow and to adapt, in order to best serve the regional needs. Cues are taken from experience, but even more importantly, from the Balkan Barometer findings. These have directed us to dedicate more comprehensive attention to the human capital development, now forming one of the actions under the SWP 2020-2022.

As of 2020, RCC will commence its work on the agenda related to Women in Science, Engineering, Technology and Mathematics (STEM). Women are underrepresented in STEM disciplines across the Western Balkans, with often limited educational opportunities available for those who decide to pursue career in STEM. The lack of professional support further alleviates the gender disparity and subsequently hampers women’s career progression in these disciplines. With a view of advancing the role of women in the fields of STEM in

the Western Balkans and providing integrated solutions that concurrently ensure gender mainstreaming, private sector engagement and reduced inequalities towards inclusive and sustainable growth, RCC and UNDP decided to launch the Network of Women in STEM. The initiative aims to create a regional platform for mobilizing policy makers and stakeholders from the academia and STEM industry to support, guide and advocate for action on STEM gender equity in education, workplace and career growth. The network would also enhance regional dialogue and raise awareness of the existing biases, as well as promote cooperation and good practices in the broader STEM sector.

Further to the human capital development concept, the new EU-funded project implemented by the RCC, Youth Lab, will seek to provide better opportunities and a louder voice to the regional youth. In partnership

with the World Economic Forum, the Western Balkans Competitiveness and Innovation accelerator will support entrepreneurship and the innovation sector in the region.

In the implementation of planned activities and in shaping of future vision, political consultations held a key stage. Throughout the past year, Secretary General of the RCC held numerous bilateral meetings with SEE high-level officials and representatives of the EU and other international institutions, as well as representatives of other economies which do not participate in the RCC Board but share the same agenda and support the Euro-Atlantic integration of the region.

Together, the region is embarking on another ambitious and comprehensive agenda, from which it is set to emerge stronger, more secure and better connected.

## Horizontal Activities

Horizontal processes continue to bring an added value to the RCC's activities. Structures established within MAP REA and SEE 2020 Strategy helped to facilitate and coordinate key activities across a wide array of areas.

In the context of the 2019 Summit in Poznan, the Western Balkans leaders reiterated their strong commitment to REA, thus recognizing achievements in MAP REA implementation across its four components. RCC was one of the key actors during the preparation of the Economy's Ministerial Meeting as part of the Poznan Summit, presenting key deliverables and highlighting the progress achieved. The Summit also served as an opportunity to define REA priorities beyond 2020 and identify possible challenges in the implementation process.

The summary of MAP REA actions were presented in the Annual report on implementation of MAP REA, which is available to the public through the RCC website.

A dialogue on the regional economic integration agenda beyond 2020 has been initiated at the level of MAP REA Component Contact Points and MAP REA Coordinators in November and December 2019, respectively. Meetings held with PM Sherpas (May and December 2019) served as a strategic platform to discuss future-oriented actions, whereas MAP REA Coordinators and Component Contact Points meetings enabled to revisit and jointly propose potential areas to further regional economic agenda beyond 2020. The key deliverables, stemming from continuous consultations at the regional level are planned to be presented at video conference of the EU and Western Balkans under Croatian Presidency of the Council of the EU, and at the Berlin Process Summits in Sofia/Skopje<sup>2</sup>.



*South East Europe 2020: 2019 Annual Report on Implementation was endorsed at the SEE 2020 Governing Board meeting held on 8 July 2019 in Sarajevo, Bosnia and Herzegovina.*

<sup>2</sup> Due to the spread of COVID-19 both globally and in the region, meetings with MAP REA Coordinators and Component Contact Points, initially planned to be held end of March 2020 were postponed. Instead, online consultations on REA 2021-2024 were put forward as the only viable solution in time of pandemic.

## Programming Activities

As the implementation of SEE 2020 Strategy entered its final year, the RCC directed its efforts towards enhancing the monitoring cycle and producing an analysis of lessons learned from the previous implementation cycle. In close cooperation with Regional Dimension Coordinators and participants of SEE 2020 Monitoring Committee, RCC embarked upon the development of a post-2020 vision. All the expertise and contacts utilized for the programming activities in the framework of SEE2020 Strategy will be further used as a solid basis for the kick-start of post-2020 vision.

## Coordination and Monitoring Activities

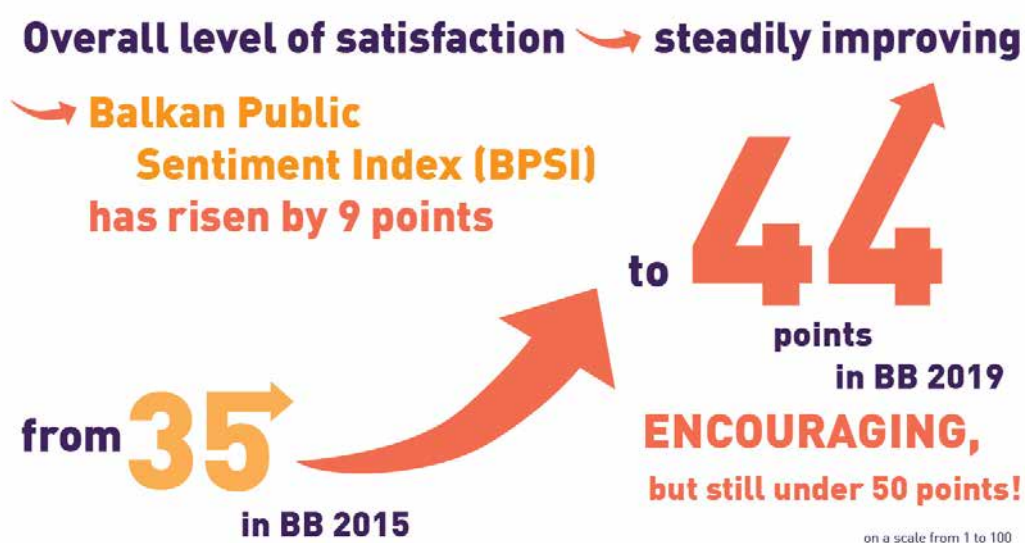
Balkan Barometer has been one of the key insights into public and business attitudes toward a wide variety of topics important for the Western Balkans region. RCC finalized the fifth edition – Balkan Barometer 2019 – and officially presented the findings of both Public and Business Opinion surveys at the Poznan Summit and at the RCC Annual Meeting in July. Recognizing the need for an appropriate and comprehensive regional

coverage of the findings, regional media were invited to the official launch, and the results have been made available online in form of brochures and videos.

Preparations for Balkan Barometer 2020 were launched in late 2019. Data from the field has been collected and analysis is expected to be finalized by my-May.

The progress achieved across the dimensions of the SEE 2020 Strategy has been showcased in the Annual Report on Implementation of SEE 2020, which was officially adopted by the SEE 2020 Governing Board in July 2019. As the Report delves into the progress on individual target scores for each Western Balkan economy, it provides a good basis for an in-depth analysis of both individual economy and regional levels of implementation.

Ninth meeting of the SEE 2020 has given a green light to the initiation of the annual monitoring cycle for 2020, as well as extending support to the development of the 2030 Strategy. The RCC has been tasked to develop the new long-term vision by the SEEC Declaration from July 2019. The new Strategy will be guided by the principles of the SDGs and developed with a view to continue the transformational agenda of the Western Balkans towards competitiveness



*RCC's annual survey Balkan Barometer, edition for 2019 was first presented to the Poznan audience during the Western Balkans Summit and shortly after at the RCC's Annual Meeting in Sarajevo in July 2019 (Illustration: RCC/Aleksandra Knezevic)*



*RCC Secretary General Majlida Bregu with Ursula von der Leyen, the President of the European Commission  
(Photo: RCC/Damir Zizic)*

and socio-economic development. As first steps, six experts from each of the Western Balkans economies were engaged by the RCC to produce a report reflecting post-2020 strategies and priorities of their economies; from these reports, a regional expert was mandated to extrapolate commonalities and define the key regional organisations' priorities in the context of post-2020. These reports will form the basis for the development of a strategic post-2020 vision in close consultations with regional and international partners, European Commission, administrations from the region and a wide array of organisations/initiatives from civil society, academic institutions, media, and private sector.

## A.1 SKILLS AND MOBILITY

### A.1.1 Removal of obstacles to mobility of students and highly skilled workers

In the past year, steps have been made which will ease the recognition of academic qualifications in the region. The Working Group on Recognition of Academic Qualifications finalized the beta version of a Joint Information System (JIS), a facilitating tool

which will be made operational and open to the public by the end of 2020, under the guidance of the Steering Group established to that end. The RCC furthermore assisted the Working Group in preparing guidelines for an online database for regional recognition of academic qualifications, an online system to be fully operational and functional by summer 2020.

In order to further facilitate and coordinate the implementation of the Declaration on Recognition of Academic Qualifications, technical assistance will be provided to compare the qualifications framework of the economies in the region, and to support the alignment of the Western Balkans Quality Assurance Systems with the European Standards and Guidelines for Quality Assurance (ESG). The latter will include a work plan for an external review of quality assurance agencies, to achieve the target goal for the region of meeting the ESG by 2021.



*RCC Secretary General Majlinda Bregu, Prime Minister of Albania, Edi Rama and Member of the Executive Committee and Head of Regional Strategies-Europe and Eurasia at the World Economic Forum Martina Larkin at the kick-off meeting of the Western Balkans Innovation and Competitiveness Accelerator, on 21 February in Tirana  
(Photo: RCC/Armand Habazaj)*

### A.1.2 Removal of obstacles to mobility of professionals

Dynamic negotiations on the Draft Mutual Recognition Agreement (MRA) which took place between December 2018 and June 2019, were discontinued at the 7<sup>th</sup> and final meeting. Despite the constructive spirit between the delegations, participants could not reach a consensus regarding the legal framework under which the negotiations should be continued.

At the PM Sherpas meeting in December 2019, a renewed commitment to unblock the negotiations on MRA was expressed. It was agreed that the basis of the way forward jointly be proposed by RCC and CEFTA, with an extended scope (more professions and irrespective of duration of stay).

As part of the process of supporting the negotiations and in line with the actions outlined in the MAP REA, a proto-type of the Database on Regulated Professions in the Western Balkans and guidelines for entry of data have been prepared, in full alignment with the EU Database on Regulated Professions (in open source).

The successful conclusion of the MRA will help the region tap into a flexible and mobile pool of experts and introduce common EU standards to education and training for these professions, thereby increasing the quality of the region's education system, as well as of services provided to the citizens of the region.

### A.1.3 Removal of obstacles to mobility of researchers

The research and development component of skills and mobility agenda brings an added value to the region by including the six Western Balkans economies in the EU framework on Open Science, facilitating efforts aimed at mapping their research infrastructures (RI) and launching the Western Balkans Competitiveness and Innovation Accelerator.

The RCC facilitated the second Joint Statement on Horizon Europe supported by the Ministers in charge of science of the Western Balkans. The Joint Statement highlights increased inclusion of the Western Balkans in the forthcoming Horizon Europe program.

As part of efforts to assist the region map its RIs, Western Balkan economies have agreed to create a regional database of RIs and support the development of the Protocol on Open Access to Research Infrastructures in the Western Balkans, including networking and training of the managers of the RIs in the region. The purpose of the foreseen database will be to enable researchers quickly identify RIs they wish to cooperate with. The Protocol, as one of the key deliverables, was planned to be presented at the EU-Western Balkans Summit in Zagreb<sup>3</sup>, now planned to be organized as a video conference of the EU and Western Balkans leaders.

Finally, the RCC partnered with the World Economic Forum (WEF) to launch the Western Balkans Competitiveness and Innovation Accelerator as a part of a global network of similar initiatives that facilitates exchange of insights and experience. The Accelerator is a public-private leadership collaboration platform aimed at supporting the region to improve its competitiveness and ensure long-term growth.

According to the World Economic Forum's latest annual Global Competitiveness Report<sup>4</sup> the region's economies currently rank between 72 (Serbia) and 92 (Bosnia and Herzegovina), while the Western Balkans as a region ranks 80 on average which is far from the competitiveness "frontier"—the aggregate ideal across all factors of competitiveness (note that Kosovo\* is not included in this report). The regional average rank for innovation ecosystem, which includes business dynamism and innovation capacity, likewise stands at 80.1.

The Accelerator was supported by the Leadership Group consisting of six ministers and six prominent CEOs from each economy at the first Leadership Group Meeting in February 2020 in Tirana.

#### A.1.4 Employment and Social Affairs Platform<sup>5</sup>

The first phase of the Employment and Social Affairs Platform regional project, jointly implemented by



*Marking of the Phase two of the Employment and Social Affairs Platform Project - ESAP 2, in Sarajevo on 28 January 2020  
(Photo: RCC/Armin Durgut)*

<sup>3</sup> As a result of COVID-19 outbreak in Europe all consultations have moved to online sphere, which is slower and oftentimes less effective compared to in-person meetings.

<sup>4</sup> [http://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2019.pdf](http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf)

<sup>5</sup> This project has been financed by the European Union and implemented by the RCC, grant number VS/2016/0054 (March 2016 to February 2019) and VS/2019/0094 (March 2019 to October 2019)

the RCC and the International Labour Organization (ILO), has been completed on 31 October 2019. It has contributed to the improvement of policy and institutional settings and outcomes, and facilitated regional cooperation in support of employment and social development, through: regional mutual learning activities on priority employment policies and programmes (including youth employment, employment of persons with disabilities, self-employment, on-the-job training, internships and local employment partnerships); demand-driven assistance to administrations in the region to support the effective design, implementation and monitoring of employment and labour market strategies, policies, measures and instruments; and the implementation of the benchmarking initiative among Western Balkan Public Employment Services, following the EU model.

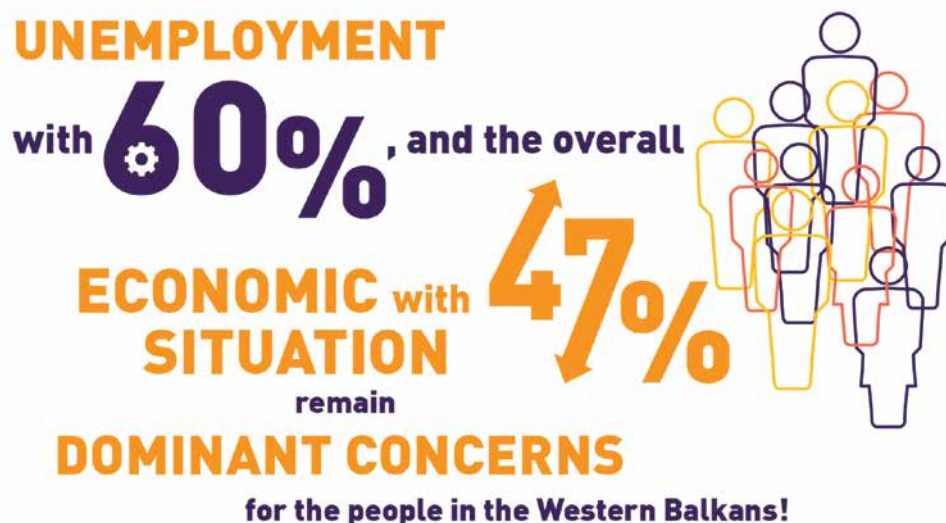
Over the duration of the project, the Western Balkan economies have experienced positive labour market trends. Overall, for the age group 20-64, the activity rate has increased from 65.1% in 2015 to 67.7% in 2018, the employment rate from 51.4% to 57.3% and the unemployment rate has declined from 21% to 15.6%. The number of beneficiaries of active labour market measures over the same time period has increased by 12% or by over 20,000 beneficiaries.

Despite such trends, structural labour market and employment challenges persist: low levels of employment accompanied by relatively high

unemployment and inactivity, significant gender employment gaps and high youth unemployment across the region. More efforts are needed to ensure that active labour market policies reach larger numbers of jobseekers and those who are economically inactive. The design, delivery and monitoring of these policies requires enhanced government capacities and further modernisation of public employment services.

As of 1 November 2019, the implementation of the Employment and Social Affairs 2 (ESAP 2) regional project is under way. The ESAP 2 launching event on 28 January 2020 brought together Ministers of Labour and other high-level officials from the 6 Western Balkan economies to discuss future cooperation. Over the coming 3 years, the platform will support the Western Balkans Network on Undeclared Work, enhance cooperation among the Western Balkans Ministries of Labour and Social Affairs and respective Public Employment Services, strengthen their capacities in developing, monitoring and evaluating labour market policies and measures, and increase the Western Balkan engagement in EU employment and social policies.

ESAP 2 has developed a work plan for the Western Balkan Network on Undeclared Work, aimed at improving policies for tackling undeclared work through enhanced regional cooperation and operationalization of a holistic/strategic compliance approach to undeclared work at central level. The work



Data from Balkan Barometer Public Opinion survey 2019

plan has been shared with beneficiaries and discussed at a regional consultative event in October 2019.

Additionally, ESAP 2 has produced an update of the current situation and trends regarding the performance of the Western Balkan economies along each of the 20 principles of the European Pillar of Social Rights. The reviews include the latest data for the indicators of the Social Scoreboard and recent policy developments, actions, legislation and implementation with regard to the realisation of the Pillar principles.

Both the work plan for the Western Balkan Network on Undeclared Work and the analysis of the performance of the Western Balkan economies with respect to the European Pillar of Social Rights are key components of the Western Balkans Employment and Social Policy Roadmap, to be adopted by the annual EU-Western Balkan Ministerial Meeting on Employment and Social Affairs.

The work of ESAP becomes all the more important in the context of the challenges Covid-19 pandemic is and will be imposing upon the labor market. Estimates suggest that about 80 percent of jobs have been affected directly or indirectly. Because of the structural labor market barriers in the Western Balkans, the threat of long-term unemployment and adjacent negative effects is a real possibility. ESAP will remain vigilant in assisting regional economies address emerging challenges and providing sustainable and effective solutions.

## A.2 CONNECTIVITY

### A.2.1 Digital Integration Agenda

The RCC's key contribution to the preparation of the second Western Balkans Digital Summit (DS) in April 2019 in Belgrade included drafting the Summit's



*The ultimate goal of the Regional Roaming Agenda (RRA) is introducing Roam Like At Home (RLAH) regime as of July 2021 (Illustration: RCC/Sejla Dizdarevic)*

### NEW ROAMING PRICES FOR WB6, AS OF JULY 2019

|                             |                                | OUTGOING CALLS | INCOMING CALLS | SMS          | DATA TRANSFER |
|-----------------------------|--------------------------------|----------------|----------------|--------------|---------------|
| ALBANIA                     | UNTIL 30 JUNE 2019             | 1.72           | 1.4            | 0.52         | 2.92          |
|                             | % CHANGE                       | -87% to -97%   | -97%           | -86% to -95% | -93% to -99%  |
|                             |                                |                |                |              |               |
| BOSNIA AND HERZEGOVINA      | UNTIL 30 JUNE 2019             | 0.22           | 0.06           | 0.06         | 0.23          |
|                             | MAX AS OF 1 JULY 2019          | 0.14           | 0.04           | 0.05         | 0.13          |
|                             | % CHANGE (WB4)                 | -25% to -27%   | -13% to -20%   | -6% to -17%  | -27% to -31%  |
|                             | % CHANGE (Albania and Kosovo*) | -85% to -92%   | -87% to -97%   | -71% to -88% | -94% to -99%  |
| KOSOVO*                     | UNTIL 30 JUNE 2019             | 1.75           | 0.5            | 0.3          | 2.0           |
|                             | MAX AS OF 1 JULY 2019          | 0.15           | 0.04           | 0.04         | 0.04          |
|                             | % CHANGE                       | -91%           | -90%           | -85%         | -98%          |
| MONTENEGRO                  | UNTIL 30 JUNE 2019             | 0.23           | 0.06           | 0.07         | 0.24          |
|                             | MAX AS OF 1 JULY 2019          | 0.09           | 0.04           | 0.04         | 0.03          |
|                             | % CHANGE                       | -57%           | -20%           | -42%         | -87%          |
| REPUBLIC OF NORTH MACEDONIA | UNTIL 30 JUNE 2019             | 1.22           | 0.49           | 0.26         | 4.19          |
|                             | MAX AS OF 1 JULY 2019          | 0.08           | 0.05           | 0.04         | 0.03          |
|                             | % CHANGE                       | -93%           | -90%           | -84%         | -99%          |
| SERBIA                      | UNTIL 30 JUNE 2019             | 0.23           | 0.05           | 0.07         | 0.25          |
|                             | MAX AS OF 1 JULY 2019          | 0.09           | 0.05           | 0.03         | 0.03          |
|                             | % CHANGE                       | -62%           | -20%           | -50%         | -87%          |

PRICES ARE IN EURO, VAT included!

Please note that these are maximum prices set by the regulators. Some operators have notified even lower prices than the referred caps. Check with them and enjoy lowered prices.

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.



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Conclusions and supporting the development of the Summit agenda, while also assisting in activities related to organization and logistics. The Conclusions have been officially endorsed and became an integral part of the Western Balkans Poznan Summit Chair's conclusions.

Signing of RRA in Belgrade brought significant reduction of roaming costs to all Western Balkans mobile end-users from 1 July 2019, with real-term positive impacts in the region, in particular on the use of data while roaming which in some cases increased up to 66 percent. The ultimate goal of the RRA is introducing Roam Like At Home (RLAH) regime as of July 2021 and preparations are advancing well. RCC facilitates regional cooperation in the process of monitoring the progress of the implementation of the agreement. At the same time, DS Conclusions, as well as agreed deliverables have placed a great importance on lowering the roaming costs between EU and Western Balkans through the implementation of the roadmap. By signing RRA, a harmonised roaming space in the Western Balkans has been established and thus the key prerequisite to pursue EU-Western Balkans roaming reductions has been met. RCC has already started the process of consultations with DG Connect and DG NEAR on the preparation of the roadmap to lower the cost of roaming between the Western Balkans region and EU.

With the advancement in the Digital Agenda for the Western Balkans, and after a series of training workshops at economy level organised by the RCC to promote more digital sector applications under the Western Balkans Investment Framework (WBIF), the utilization of these funds improved to a substantial extent. In 2018, only €0.5 million of Technical Assistance (TA) was mobilized, while the number in 2019 has increased to €3.57 million.

RCC facilitated discussion on interoperability and recognition of trust services in the region, helping increase awareness of regional benefits which could stem from a joint approach and framework on recognition of trust services. Moreover, three bilateral agreements on mutual recognition of qualified trust services contributed to increased trust in digital services, facilitating regional economic integration, as well as supporting implementation of other related activities.

Priority actions in the area of digital transformation for 2020 have been formulated and validated by all WB economies while a more long-term and strategic regional discussion on the digital transformation challenges has been launched.

## A.2.2 Environment and Sustainable Development

In the reporting period RCC remained dedicated to supporting transformation and development of the Western Balkans by stringently following sustainability principles and standards, guided by the Skopje Ministerial Declaration. The determination of the region to resolutely address pollution and establish more ambitious objectives for 2030, as well as to proceed towards carbon neutrality by mid-century, are reinforced by launching of the European Green Deal<sup>6</sup> and preparation of the Green Agenda for Western Balkans (GAWB) as one out of its 47 measures. RCC work was concentrated on maintaining regional environmental and climate dialogue through activities of the Regional Working Group on Environment (RWG Env). The Western Balkans economies presented their readiness to participate in shaping and mobilizing necessary resources for the successful implementation of the GAWB, once it is finalized. Initial steps for consultations on GAWB have already been made, whereas the further development of the process will be adjusted to the new circumstances caused by Covid-19 pandemic. Highest level political support was

also expressed in the Tirana Ministerial Declaration, prepared for the ministerial panel. However, due to the devastating earthquake in Albania, the meeting had to be postponed. In cooperation with the European Commission, the RCC has been focusing its efforts to convene the ministerial meeting in 2020.

The successful coordination of relevant regional environmental initiatives continued through participative approach and regional ownership. The implementation of the two projects developed under the SEE 2020 Strategy – Water-Food-Energy Nexus and ClimaProof continued under the umbrella of the RWG Env, with concrete benefits to the region related to mapping, diagnostics, bias correction in modelling future climate and weather, and other. In cooperation with the International Union for Conservation of Nature (IUCN) and GIZ Open Regional Fund for the Implementation of Biodiversity Agreements (GIZ ORF BDU), the RCC continued to support activities of the Biodiversity Task Force (BD TF) and its 2019-2020 Work Plan, as well as contributing, as member of the Coordination Group, to the one-year project of the Network for the Implementation and Enforcement of Environmental Law (IMPEL).



Data from RCC's Balkan Barometer 2019

<sup>6</sup> COM(2019) 640 final, The European Green Deal, 11th December 2019, Brussels

During the reporting period RCC also joined forces with UN Environment and participated in a regional initiative to curb air-pollution, as one of the key challenges and threats for human health responsible for many premature deaths in the Western Balkans.

## A.3 COMPETITIVENESS

### A.3.1 Investment integration

In the past year Western Balkans economies made progress in upgrading their investment policy framework mainly through the adoption of modernised investment-related laws and establishment of mechanisms for arbitration and intellectual property rights. Having in mind continuous capacity building on International Investment Agreements (IIAs) and investor-state dispute settlement (ISDS) reforms, the Western Balkans region has decreased the number of initiated arbitration cases from 5 cases to 2 cases in 2019, compared to 2017.<sup>7</sup>

With the technical support from the World Bank Group (WBG) the region performed assessment of the policies pertinent to investment entry, with identified gaps and needs for reforms in the respective areas, which will strengthen investors' confidence, including the efforts to streamline business establishment procedures to enable seamless investments flow. Transparency is being supported by streamlining the investment incentives with comprehensive investment incentive inventory finalized.

As regards the further implementation of MAP REA and Regional Investment Reform Agenda (RIRA), common Regionally acceptable standards for negotiating of International Investment Agreements (IIAs) were developed which will contribute to finding a common position on protecting foreign investment and provide a stronger negotiation position vis-à-vis third (non-EU) economies to impose certain standards when (re-)negotiating IIAs. These developed negotiating standards are now in the final phase of adoption with the aim of bringing regional IIAs and



*Tourism grants award ceremony within the Tourism Development and Promotion Project was held in Durrës on 22 November 2019  
(Photo: RCC/Armand Habazaj)*

<sup>7</sup>UNCTAD, Investment Dispute Settlement Navigator, Available at <https://investmentpolicy.unctad.org/investment-dispute-settlement>

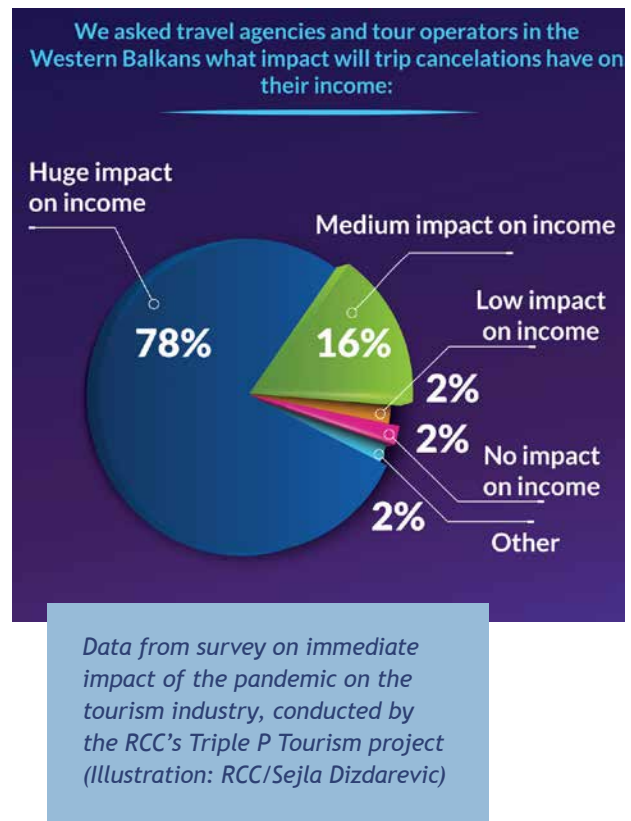
Bilateral Investment Treaties (BITs) in line with the EU standards and the latest investment policy framework. Standards will help the region not only to modernize the current agreements but also protect the economies' right to regulate and foster sustainable development.

In view of investment promotion activities, WB investment outreach campaign has started, with target markets and priority sectors selected. The region has commenced series of extended capacity building sessions for the Western Balkans Investment Promotion Agencies, aiming to improve the services to investments throughout the full cycle, encompassing promotion, facilitation, and after-care. As a result, there are already some investment leads generated in the region.

Diversification of financial systems is another priority of Competitiveness agenda intended to boost investment and widen access to finance. In light of this, with the significant support from the Working Group on Financial Markets WBG prepared „Western Balkans - Deepening and Diversification of Financial Sector to Support Growth“ study. The approach developed from the study is intended to enhance the role of financial markets in the Western Balkans through: (i) Deepening of financial markets to underpin better economic performance of WB economies and play a more supportive role to the real economy; (ii) Cooperation among Western Balkans economies — exchanging information, sharing lessons, and addressing common challenges — to aid convergence of the Western Balkans to the EU income levels; and (iii) Integrating selected segments of the financial markets within Western Balkans economies and with the EU to benefit from increased market scale and larger potential investee and investor base.

### A.3.2 Industrial Development

As one of the key strategic sectors, the RCC continues to support the development of a regionally integrated tourism offer through further implementation of the Triple P Tourism project.<sup>8</sup>



The promotion of the regional routes was launched in 2019, delivered through exposure in renowned travel media (continued from 2018: Lonely Planet, National Geographic traveller, etc.) and participation at trade events/fairs, with outreach of at least tens of thousands visitors, including the IFT, the largest tourism trade event in the region held annually in Belgrade. Promotion of the Via Dinarica was also facilitating through the online platform Ourdooractive, [www.outdooractive.com](http://www.outdooractive.com).

Provision of grants constitutes the most important element of the Triple P Project. Within the small grants facility a total of 36 small grants were awarded through three grant cycles in the amount of EUR 1,68 million.

Implementation of 12 grants awarded through the 1<sup>st</sup> Call for small grants was successfully completed in 2019. The small grants were awarded on 9 November 2018 in the total value of EUR 602,489.41 out of which EUR 537,804.13 was provided by the Triple P Project. The achieved results include: 124 local communities involved in the implementation of the small grants;

<sup>8</sup>This project is funded by the European Union and implemented by the RCC, grant number 2017/392-591

total of 2,425 km of trails new or improved; total of 20 new itineraries developed; new regional solutions developed, specifically establishment of the Illyricum Trail as the sub route of the Council of Europe RER-DWR, development of the Bike Friendly Standard for service providers along the cycling and biking trails, development and operationalization of a new App for the cultural product of Skopje Old Town highlighting stories that include tangible and intangible heritage (craftsmanship), and mapping of the first ever regional horseback riding route, involving 50 horse farms and riding facilities on the route.

Within the 2<sup>nd</sup> Call, 16 small grants are currently being implemented – out of which 7 are focusing on cultural tourism priority, and 9 grants are focusing on development of adventure tourism. Totaling over EUR 759,000, these 16 grants will lead to development of new regional cultural and adventure tourism products, improvement of infrastructure and quality of services, training of service providers, and inclusion of women and youth in tourism industry in the Western Balkans. The final 8 grants of the 3<sup>rd</sup> Call were awarded in February 2020 in the amount of EUR 383,823. Their implementation will, among other results, lead to the creation of two new regional gastro-tourism routes, four cultural itineraries, three mobile apps, as well as in improvement of infrastructure along 125 km of Via Dinarica and construction of two new via ferrates.

The outbreak of the Covid-19 pandemic in the first quarter of 2020 has had a tremendous negative impact on the industry of tourism globally and particularly in the Western Balkans where government aid was slow, partial or non-existent. In the backdrop of numerous security restrictions, the 24 active grants of the 2<sup>nd</sup> and the 3<sup>rd</sup> Call were significantly impacted. Short in duration and many including international travel and group activities, most grant beneficiaries were urged to rethink their delivery modalities in terms of digitalizing meetings, substituting regional with economy-level actions, postponing events and replacing in person promotion with printed promotion, among others. With the purpose of maximizing opportunities for grants' success, the Triple P Tourism project has been working closing with individual grant beneficiaries in devising responses,

in a case-by-case manner, including grant contract prolongations (until the end of 2020) and activity adjustments.

In early April, the Triple P Tourism project conducted a survey on immediate impact of the pandemic on the tourism industry, on the travel agencies and the key inbound tour operators. 78% respondents reported high impact on income projected for 2020. Similar situation is in the cancellations where over 70% respondents reported that 50%-100% of planned trips had already been cancelled. The agencies are cutting the number of employees (42%) while some reduce the salaries to a minimum. 41% reported having resources to survive for a maximum of up to 3 months. In terms of economy-level and regional mitigation measures, the survey has prioritized introduction of recovery measures by governments, joint regional marketing program designed to bring visitor back to the region, and financial support to digital applications in tourism sector. Recovery measures that are also seen as desirable and expected to assist resuming the operations are investments, grants schemes, EU and other international donor projects and sponsored marketing campaigns.

## B GOVERNANCE, RULE OF LAW AND SECURITY COOPERATION

### B.1 Rule of Law

Rule of Law has been the key dimension of the EU accession process, and has become even more central with the adoption of the new enlargement methodology, by which the chapters pertaining to the fundamentals are the first to open and the last to close. The RCC is fully aware of that fact and maintains its unwavering support to the related reform processes in the region.

In cooperation with the Ministry of Justice of Albania, in October 2019, the RCC organized a high-level regional conference "It's All About Justice", in order to support a discussion and exchange of experience in the area of rule of law and meeting the European standards in justice reforms. In recognition of the wide range of actors relevant in that endeavor, the



*High Level Regional Conference “It’s all about Justice”, held in Tirana on 4 October 2019  
(Photo: RCC Armand Habazaj)*

Conference brought together Ministers, government officials, as well as representatives of the key civil society organizations.

## B.2 Security Cooperation

The RCC has continued to keenly support the security cooperation formats which exist in the regional level, in particular the South East European National Security Authorities (SEENSA) and the South East European Military Intelligence Chiefs (SEEMIC) platforms. For years, SEENSA and SEEMIC have been exercising confidence-building among regional economies in sectors not naturally inclined to share information; yet in the past year, a major step forward has been made in shifting the modus operandi toward enhancing cooperation and transposing it to the practical level. Particularly as regards SEENSA, the conclusions of the Directors’ meeting held under Albanian Chairmanship paved the way for organization of SEENSA training programs as part of three thematic Working Groups addressing issues in industrial security and cyber security.

While SEEMIC turned its focus in 2020 to the impact of illegal migrations on SEE security, in line with the SEEMIC Conference Chairman’s (Slovenia held the Chairmanship in 2019) conclusions, 2020 SEEMIC

Chairman (Turkey) was tasked, together with the RCC, to identify ways of assisting those SEEMIC participants who have not yet developed military cyber capacities. In light of the Covid-19 pandemic outbreak, both platforms have adjusted their activities to the new situation, resolving to either hold the meeting online or to meet once the measures are lifted. In the meantime, both remain conscious of the role security structures play in conditions of health threats. Participants of SEENSA format have tasked the RCC to facilitate Regional Agreement of Exchange



*Participants of the Regional Response to Security Challenges in South East Europe conference, held in Trieste on 5 December 2019  
(Photo: RCC/Matej Kolakovic)*



*Participants of the Community Dialogue with Youth at Risk held in Tirana on 5 March 2020  
(Photo: RCC/Armand Abazaj)*

of Classified Information aimed at establishing a framework of cooperation in accordance with the EU standards. This is considered only as the initial step, bearing in mind that in respective economies there are different institutions in charge of this matter. Internal consultations will therefore determine the pace of facilitation of this agreement.

In implementing the Preventing and Countering Violent Extremism (P/CVE) platform, in 2019 RCC worked in close synergy with its regional partners and beyond to address crucial current security issues, including reintegration of returning foreign terrorist fighters and their families and the role of fake news. The 4<sup>th</sup> Regional Conference on Prevention of Security Risks, held in December 2019 in Trieste, was co-organized by the RCC and the Ministry of Interior of Italy with four leading partners: IISG, MARRI, SEESAC and the SEE Check – Regional Network against Disinformation and Media Manipulation. The Conference for the first time invited participation of students and professors, in effort to support a whole-society, holistic approach and provide a multi-sectoral endeavor to the fight against contemporary security challenges.

Further to those efforts, RCC has assisted in raising awareness among the youth of the processes of

radicalization in a regional workshop – Community Dialogue with Youth at Risk, as well as supporting deliberations on the role of media in reporting terrorism and providing credible information in the workshop “New Age Journalism for New Age Security Challenges”. Both workshops were implemented as a part of the DCAF Project IISG/WBCTi “IPA II 2016 Regional Action on P/CVE in the Western Balkans”.

As a greatest novelty and a warmly welcomed decision by the Integrative Internal Security Governance (IISG) Board in November 2019, this platform with which the RCC has long held a key partnership is joining the RCC umbrella as of April 2020. This platform represents strategic EU-WB security partnership and strong regional ownership based on the fact that all WB6 ministries of interior/security are stakeholders in this process led by the EU, and from 1 April 2020 assisted by the RCC. As the new host of the Initiative, RCC has devoted the utmost efforts to assist the smooth transition into its structures, assisting with the development of the new Document of Action, Terms of Reference and other matters related to logistics and organization. IISG will continue to offer crucial contributions to the regional security through its three platforms: Counter-Terrorism (WBCTi), Counter-Serious Crime (WBCSCi) and Border Security (WBBSi). Merger with the RCC is a further move toward

streamlining regional initiatives and ensuring their utmost efficiency and effectiveness.

Finally, the RCC has further continued to nurture close cooperation and synergy with its other partners, most notably the UNDP/SEESAC project, the key actor in addressing the problem of small arms and light weapons in the region.

## C. CROSS-CUTTING ISSUES

### C.1 Communication

In the reporting period the RCC continued to implement its Communication Strategy reflecting organization's agenda and priorities and upgrading the established RCC profile to illustrate its increasingly regionally-owned, proactive and all-inclusive role and influence. The primary objective was to keep building the understanding on what the RCC does, to increase awareness of political, financial and public support by the EU and RCC partners for its activities and to enhance visibility of the organisation and the regional cooperation process in general. Simultaneously the RCC's communication was focused on promoting the image of SEE for the EU Member States audiences as well as reinforcing

the EU core values and advantages of the EU-integration process in the region.

The RCC communication efforts focused on developing targeted messages for citizens of the region, to both improve the image of the region presented to the citizens of the EU and raise awareness of the core EU values for the region's citizens. To that end, aiming for the wider outreach, the RCC expanded its efforts to enhance the relevance of the RCC at local, regional and international level, advanced dissemination of the organisation's messages. The new approach was based on creative design, development and dissemination of the RCC success stories and messages, formulated in a way to appeal to public at large, them being envisaged end recipients. This communication exercise involved an entire set of tailor-made the RCC communications products such as videos, articles, interviews, news, etc. with the new Secretary General and other RCC staff; revamped visibility (online and offline); new campaigns promoting Regional Roaming Agreement, Digital Summits, Balkan Barometer, Women Empowerment (WE), tourism, Roma Integration, employment and social affairs, environment, and youth; awareness raising activities (online photo/video contests, social media campaigns, etc.); maintaining dynamics of regular RCC publications



*For the 3rd time in a row the RCC was the patron of the 'Heart of Sarajevo' award for the Best Student Film at the 25th Sarajevo Film Festival (SFF)  
(Photo: Courtesy of SFF)*





Woman Empowerment - *WE campaign* is featuring remarkable women from the Western Balkans. The campaign started in March 2019 and throughout the following period, RCC presented five women from the region who are making a difference:

Nada Markovic, Iris Gjinovci, Aida Corbadzic, Uta Ibrahim and Marta Naumovska Grnarova.



**WE**

Powered by RCC.int

—“—  
Don't be afraid to dream big, but take small steps in pursuing those dreams  
—”—

DANJELA ZIZIC  
Third-year student in the Department of Computer Science, Faculty of Natural Science and Mathematics, Podgorica

**#DareToCreate** **#WBwomeninSTEM**

and modernising their visibility (Balkan Barometer, Annual reports, informational brochures on youth, employment, etc.); extended online presence via new Instagram channel to accompany already existing Facebook, Twitter, YouTube and LinkedIn accounts; new visibility items, etc.

The RCC utilised and distributed the visual identity items as well as public information materials at various fora relevant for regional cooperation and EU integration processes, to unique way to spread the information about the region, RCC's work, its regional ownership and EU as our main supporter, helm and the funder.

For the purpose of spot-on communication, the organisation has produced a number of videos in the course of 2019, providing an user-friendly, simple and eye-catching insight into what the RCC stands for, what are its core activities, goals of its core and the accompanying projects, set aims, highlighting the best practices and positive stories, with participation of potential impact on RCC stakeholders, partners, beneficiaries, regional/national/international organizations, citizens and the EU.

Several awareness raising campaigns (#LookingforSummer, #RoamLikeatHome, #ListenToWomen, #DareToCreate), have been launched, some of which still ongoing, consisting of a series of videos, stories, traditional and social media releases, articles and interviews as well as public information materials. Each campaign, besides promoting the work of the RCC, raises awareness on the benefits of the regional cooperation, as the core concept of the EU's functionality to be replicated in the region but also of successes, advantages and benefits of the EU, as of an advanced example of regional cooperation in practice, that would be available to the region and its citizens, at the end of EU-accession path.

The RCC also used the RCC-organized or co-organized events to promote itself, its agenda, but also the region in general, boosting its positive image and potential, especially in the sector of tourism.

Besides promoting the RCC activities and the region through traditional media (print, online, TV) the organisation has invested much effort in promotion through direct contacts with general public via social media channels (Facebook, Instagram Twitter, YouTube,



*“Dislocation”, art performance by Sead Kazanxhiu, on the occasion of Regional Conference: Mapping of Roma Housing in the Region, held in Sarajevo on 5 November 2019*

LinkedIn), using social media promotions and boosts, to widely spread the messages to the targeted audiences. In addition to these, RCC has developed a wide regional network of photographers and videographers to follow up on Communication strategy and content creation for various communications channels, providing us with timely and quality visual materials, reflecting the entire region, used in various publications and visual materials.

Realisation of all communication efforts was closely followed through Mediatoolkit – an online monitor of mentions of the organisation and its key indicators in real-time, providing us with the proper data for quantity and quality analyses of our presence in the media. These data served as corrective factor, as, based on these findings, the communication actions were adjusted to generated greater values and wider outreach.

The RCC kept maintaining and continued spreading its partnership networks with the regional media representatives, making sure our content is widely understood and communicated, especially through our

field correspondents – a group of respectable journalists from the region who have helped widening the RCC narrative and creating opportunities for promotion in each of the WB economies. In the reporting period such partnerships were established with numerous media representatives based outside the region, either through regional correspondence offices or through direct contact with journalists of international media, in an attempt to secure international buy-in of the regional cooperation, RCC and the region in general.

As in previous years, the RCC supported important regional initiatives and successful projects (such as Sarajevo Film Festival, No Border Orchestra, You Are a Sunflower – Champion of Regional Cooperation, etc.), whose good image and reputation could contribute to raising awareness of the RCC and the region to general public but also reconfirm the position of the RCC as an organisation coming from the region and working for the region’s interests.

Extended communication and PR activities lead to significant increase of our social media followers and their engagement, website visitors, and articles

published in traditional media, and this positive trend continues. (Table 1)

Coordination and execution of the communication efforts was challenged by the Covid-19 outbreak and its consequences in the region, as it moved focus from all other topic to preservice of human lives and health in all the societies concerned. The global pandemic disrupted the original plans and forced the Communication Team to adapt to new circumstances, adjusting the action plans to the novel circumstances and operate in the mode of crisis communication. This switch from reforms, development and growth agendas dictated by the EU integration process in the region to the highest priority of protection of humans' health was done smoothly and effectively, prioritising key concerns of the citizens in the region and sharing the EU initiatives, measures and actions contributing to the joint fight against the unexpected common enemy. This type of communication, underpinning regional priorities but also actions of the organisation in mitigating the negative effects of the pandemic is still ongoing and will continue to the normalisation of the situation.

## C.2 Parliamentary Cooperation

The RCC remained fully committed to supporting and promoting platforms of regional parliamentary cooperation, as part of the efforts to bring regional agenda to the attention and action of regional legislatures. Under the SEECF Chairmanship of Bosnia and Herzegovina, the Plenary Session of the SEECF Parliamentary Assembly took place in Sarajevo in June 2019, although unfortunately the Session did not result in a joint Declaration.

An important initiative was however launched to strengthen the role of regional cooperation in the parliamentary dimension of the EU accession process. Parliament of Albania, as the Chairmanship-in-Office of COSAP, invited the RCC to support the organization of the XVI COSAP conference. The Chair's Conclusions, formally adopted in the Joint Declaration, called on the RCC to assist COSAP's efforts toward the establishment of a parliamentary dialogue on all key areas of regional cooperation, in line with the Poznan Summit Chair's Conclusions.

|    | Target  | 2017     | 2018     | 2019     |
|----|---|----------|----------|----------|
| 1  | Total number of website visitors                | 47,000   | 50,500   | 58,700   |
| 2  | Website page views                              | 145,000  | 220,400  | 246,400  |
| 3  | Average website session duration                | 00:02:00 | 00:02:34 | 00:01:45 |
| 4  | Website bounce rate                             | 58%      | 35%      | 13.80%   |
| 5  | Media reports                                   | 2,300    | 5,545    | 12,500   |
| 6  | Twitter   | 1,850    | 2,242    | 3,600    |
| 7  | Facebook  | 13,000   | 24,082   | 30,150   |
| 8  | YouTube   | 8,000    | 19,594   | 37,000   |
| 9  | LinkedIn  | 170      | 369      | 836      |
| 10 | Instagram                                       | -        | 40       | 2,400    |
| 11 | Media advisories, press releases and news items | 80       | 121      | 130      |

Table 1

### C.3 Roma Integration 2020<sup>9</sup>

The RCC Roma Integration 2020 project facilitated the preparation of the Declaration of Western Balkans partners on Roma Integration within the EU Enlargement Process that was endorsed by the Prime Ministers at the Western Balkans Summit in Poznan, as part of the Berlin Process. The Declaration states objectives in employment, housing, education, health, civil registration, and non-discrimination that should be reached by the economies' EU accession. The Roma Integration 2020 was tasked to provide the necessary support to the governments to achieve the stated objectives, including support to coordination, monitoring and data collection, as well as budgeting policy measures related to the implementation of the Declaration objectives.

To back-up the process of reaching the Declaration objectives in employment and housing, the Action Team prepared Roma Integration Roadmaps 2019-2021. The roadmaps conceptualise approach and measures to reach targets set by 2021 that are economy-specific based on the contexts and available data, and are in line with the Declaration objectives.

On the issue of housing, the Action Team developed a methodology to map all Roma settlements in the Western Balkans. The methodology will combine existing data at the economy and local level and will contribute to identifying precise locations of Roma settlements while also assessing the possibilities for legalisation of informal settlements. Once the mapping is complete, concrete housing interventions in the upcoming years will be implemented.

On Roma responsive budgeting, the Roma Integration 2020 assisted the National Roma Contact Points (NRCPs) to prepare 2020 annual budget submissions in selected policy areas and prepared corresponding budget briefs. The budget briefs provide overview and analysis of the 2020 budget allocations and contain recommendations for future improvements of the public budgeting process. The aim is to continue improving the position of Roma

by making informed decisions about the amount and purpose of expenditure.

Finally, on monitoring and data collection, the Roma Integration 2020, in cooperation with the Republic of North Macedonia, promoted a methodology to establish a mechanism to follow the achievements of the Declaration of Western Balkans Partners on Roma Integration within the EU Enlargement Process. The methodology should be finalized and tested in the course of 2020.

The Roma Integration 2020 is also actively involved in providing inputs to the discussions on the post-2020 EU Framework for Roma Integration Strategies, facilitating the communication between the NRCPs and the European Commission.

<sup>9</sup> This project is co-funded by the European Union, grant number IPA/2018/400-736

# List of abbreviations

|              |  |
|--------------|--|
| ARI          | Annual Report on Implementation  |
| BIT          | Bilateral Investment Treaty  |
| CCP          | Component Contact Points   |
| CEFTA        | Central European Free Trade Agreement  |
| CIF          | Chambers Investment Forum  |
| C-i-O        | Chairmanship-in-Office   |
| CLO          | Country Lead Organization  |
| COSAP        | European Integration Parliamentary Committees of the States participating in the Stabilisation and Association Process   |
| CVE          | Countering Violent Extremism   |
| DCAF         | Geneva Centre for Security Sector Governance   |
| DG           | Directorate-General  |
| DG CONNECT   | Directorate-General for Networks, Content and Technology   |
| DG NEAR      | Directorate-General for Neighbourhood and Enlargement  |
| Negotiations | Negotiations   |
| DS           | Digital Summit   |
| EBRD         | European Bank for Reconstruction and Development   |
| EC           | European Commission  |
| ESAP         | Employment and Social Affairs Platform   |
| ESG          | European Standards and Guidelines for Quality Assurance  |
| EU           | European Union   |
| GAWB         | Green Agenda for the Western Balkans   |
| GIZ          | Deutsche Gesellschaft für Internationale Zusammenarbeit  |
| GIZ ORF-BDU  | GIZ Open Regional Fund –Implementation of Biodiversity Agreements  |
| IIA          | International Investment Agreement   |
| ILO          | International Labour Organisation  |
| IISG         | Integrated Internal Security Governance  |
| IMF          | International Monetary Fund  |
| IMPEL        | Implementation and Enforcement of Environmental Law  |
| IPA          | Instrument for Pre-accession Assistance  |
| ISDS         | Investor-State Dispute Settlement  |
| IUCN         | International Union for Conservation of Nature   |
| JIS          | Joint Information System   |
| MAP REA      | Multi-Annual Action Plan for Regional Economic Area  |
| MARRI        | Migration, Asylum, Refugees Regional Initiative  |
| MRA          | Mutual Recognition Agreement on Professional Qualifications  |
| NATO         | North Atlantic Treaty Organization   |
| NFP CVE-FTF  | RCC Group of National Focal Points for Countering Radicalization and Violent Extremism Leading to Terrorism and Foreign Terrorist Fighters in Southeast Europe |

|          |  |
|----------|--|
| NRCPs    | National Roma Contact Points   |
| NSA      | National Security Authority  |
| OSCE     | Organization for Security and Cooperation in Europe  |
| OSINT    | Open Sources Intelligence Assessment   |
| P/CVE    | Prevention and Countering Violent Extremism  |
| PES      | Public Employment Services   |
| RCC      | Regional Cooperation Council   |
| RI       | Research Infrastructure  |
| RIRA     | Regional Investment Reform Agenda  |
| RLAH     | Roam Like at Home  |
| RRA      | Regional Roaming Agreement   |
| RWG Env  | Regional Working Group on Environment  |
| SDGs     | Sustainable Development Goals  |
| SEE      | South East Europe  |
| SEE 2020 | South East Europe 2020 Strategy: Jobs and Prosperity in a European Perspective                 |
| SEECF    | South-East European Cooperation Process  |
| SEEIC    | South East Europe Investment Committee   |
| SEEIIST  | South East European International Institute for Sustainable Technologies                       |
| SEEMIC   | South East Europe Military Intelligence Chiefs   |
| SEENSA   | South East European National Security Authorities  |
| SEESAC   | South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons |
| SWP      | Strategy and Work Programme  |
| TA       | Technical Assistance   |
| TCT      | Transport Community Treaty   |
| TEG      | Tourism Expert Group   |
| UN       | United Nations   |
| UNCTAD   | United Nations Conference on Trade and Development   |
| UNGA     | United Nations General Assembly  |
| UNDP     | United Nations Development Programme   |
| USAID    | United States Agency for International Development   |
| VDRC     | Via Dinarica Regional Cooperation  |
| WB       | Western Balkans  |
| WBBSi    | Western Balkans Border Security Initiative   |
| WBCTi    | Western Balkans Counter-Terrorism Initiative   |
| WBCSCi   | Western Balkans Counter Serious Crimes Initiative  |
| WBG      | World Bank Group   |
| WE       | Women Empowerment  |
| WTO      | World Trade Organization   |
| WEF      | World Economic Forum   |



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RCCSec



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