



**Talking points for the statement of the Secretary General of the
Regional Cooperation Council (RCC), Hido Bišćević,
at the Annual Conference on Swiss Cooperation with South East
Europe 2009**

Bern, 5 November 2009

Madam Minister, Excellencies, dear friends of South East Europe,

- Allow me to start my intervention by **thanking our Swiss hosts** for organising this important conference that provides a great opportunity to review from different angles the situation in South Eastern Europe, to **take stock of the results achieved and to map out the way ahead**. We gathered today to assess the present and contribute to elaboration of future plans for Western Balkans and beyond.
- We can say without any doubts that South East Europe is brimming with **potential and opportunities recognised**, inter alia, by numerous foreign investors and substantiated by highest economic growth in pre-crisis Europe. At the same time, our region is marked and recognised by **outstanding bilateral issues, political instability and plummet of the economies** caused by the world economic and financial crisis.
- Against this complex and challenging environment, I am happy to note the **growing interest of the countries of South East Europe to participate in regional cooperation** as well as awareness that regional solutions are the best way to address regional problems.
- In order to affirm the **principle of regional ownership, the Regional Cooperation Council (RCC)** was launched in 2008 in Sofia to succeed the

Stability Pact of South Eastern Europe and take the banner of steering concrete and targeted regional cooperation activities. In the same spirit, the RCC Secretariat was established in Sarajevo and staffed by officials coming from the region.

- Our **membership** is though much wider and consists of a number of regional players - the RCC members from South Eastern Europe, numerous EU and EFTA member states, the European Commission, the USA as well as international organisations. We are proud that **Switzerland is one of the RCC members and we recognise its prominent role in the establishment of the RCC** as well as constructive and proactive approach in the implementation of the RCC's mandate.
- Our mission can be described in a few, yet, I am sure you will agree, very ambitious words – to promote mutual cooperation and European and Euro-Atlantic integration of South Eastern Europe in order to inspire development in the region to the benefit of its people.
- On this path we see the region the only way possible – in its entirety, and we implement the **all-inclusiveness of regional cooperation within the RCC format** as a guiding principle of our operations.
- We focus our activities in the **six priority areas**: economic and social development, energy and infrastructure, justice and home affairs, security cooperation, building human capital and parliamentary cooperation.
- To fulfil our mandate, the RCC maintains **close working relations with all actors of relevance in these areas**, such as governments, international organizations, international financial institutions, regional organizations, civil society and the private sector. One could say that we stand with one foot in the region, under the political guidance of the South-East European Cooperation Process (SEECP), currently chaired by Turkey, and with another foot in Brussels with the RCC Secretariat's Liaison Office keeping active contact with the EU, NATO and other Brussels-based organisations and institutions, though our minds are always in Sarajevo and focused on the prosperity of South Eastern Europe.
- We are aware of the **vast human and natural potentials of our region**, namely its 150 million inhabitants and their great historic and cultural legacy,

the strategic location of the region on the junction of two continents, richness with natural resources, intersected by numerous rivers and home to the one quarter of all airports in Europe.

- Regrettably, this **enormous potential is only used to a limited extent**. Unresolved bilateral issues are looming over the horizon and sometimes negatively effect regional cooperation processes, development of the transboundary infrastructure is lagging behind in development, our railways are still slow, our river management is insufficient, organised crime and corruption negatively affect economic development, funding for research and development is in short supply and resources in the fight against natural and man-made disasters uncoordinated and dispersed.
- Only through joint efforts, pooling ideas and resources, aware of responsibility, the region can develop and prosper. We in the RCC, through activities within the priority areas hope to contribute to our common goal. Allow me to touch upon some of them.
- The development of prosperous market economies underpinned by adequate social systems represents a cornerstone of peace and stability in South East Europe. In the priority area of **Economic and Social Development**, the RCC coordinated, facilitated and provided political support to a number of regional social and economic initiatives aimed at investment facilitation, Small and Medium Size Enterprises development, trade liberalization, public health improvement, social dialogue and employment policy reform.
- The **Ministerial Conference “Public Private Partnerships (PPPs) in Strategic Infrastructure Networks: Developing the PPP Enabling Environment in Southeast Europe”**, organized jointly with the UNDP and held in Sarajevo in September 2009, examined the opportunities, risks, and constraints to PPP development in South East Europe, as well as the role these partnerships could potentially play in the context of national and regional development strategies. It resulted in **laying foundations for the establishment of a regional PPP Network**.
- A **Workshop on Enhancing Women’s Entrepreneurship in South East Europe** was held on 1 October 2009 in Sarajevo, which brought together representatives of associations of businesswomen from South East Europe, national and multilateral financial institutions, capacity building providers and

governmental and non-governmental organizations supporting small and medium sized enterprises (SMEs) and economic development. The workshop represented **a first step towards possible creation of the South East Europe Women Entrepreneurship Forum.**

- We are actively consulting with the OECD Investment Compact for South East Europe in the context **of possible transfer of coordination of the activities of the South East Europe Investment Committee (SEEIC) over to the RCC**, which would contribute to increased regional ownership and further identification of regional economic development projects as well as creating more favourable environment for foreign investments in the region.
- In the social development field, the RCC Secretariat actively **supported the SEE Employment Network**. Moreover, the **first regional meeting of the social partners under the RCC umbrella** was held on 22 June 2009 in Sarajevo. As the first meeting of its kind in several years, it provided an excellent opportunity for first contacts and discussions of common problems between trade unions and employers' associations from the region.
- **Infrastructure and Energy** as prerequisites for the overall economic, social and environmentally sustainable development, stability and prosperity are in a particular focus of the activities of the RCC. The RCC supports the implementation of the Treaty establishing the Energy Community.
- As a landmark event in the field of infrastructure and energy, let me single out the **International Workshop on Integrated Transboundary Water Resources Management in South Eastern Europe**, organized from 18 to 20 May 2009 in Sarajevo, in cooperation with UN ECE and with strong support of the Global Water Partnership Mediterranean and the International Sava River Basin Commission. The conference participants drafted an accurate picture of all transboundary waters in South East Europe, identifying the most urgent actions to prevent, control and reduce negative transboundary impacts on human health, safety, nature and socio-economic conditions.
- In the priority area **Justice and Home Affairs**, fight against organized crime and corruption, reform of police, law enforcement and judicial system, combating illegal migration, visa facilitation and liberalization and strengthening border management are of particular importance to South East European countries and their European and Euro-Atlantic agendas.

- The RCC Secretariat has been tasked by the Ministers of Justice and Home Affairs of the SEECP Participating States to coordinate the **elaboration of the Regional Strategy for Justice and Home Affairs in South East Europe**. This important, yet demanding, task, will be conducted in close coordination with the countries of the region and relevant international and regional partners (EU, United Nations Office on Drugs and Crime, OSCE, SECI Center). In this framework, the RCC will host on 16-17 December 2009, in Sarajevo the Conference on the JHA multiannual strategy. The primary objective of the conference is to identify and centralize regional priorities, needs and objectives to be addressed in next years in the JHA area, and to recommend, base on an action plan, implementable solutions.
- In the sector of **Security Cooperation**, the RCC was engaged in identifying the remaining and emerging challenges and finding ways to address them through cooperation at regional level in order to make responses more effective.
- One of the projects facilitated in this area is the **Southeastern and Central Europe Catastrophe Risk Insurance Facility (SECE-CRIF)**, envisaged as a genuine public-private partnership with main objectives to facilitate the development of a catastrophe insurance market in South East Europe and provide access for homeowners and SMEs to affordably priced catastrophe insurance. The project is realized in close cooperation with the World Bank and enjoys full support of the EU.
- **A project on establishing a South East Europe Firefighting Regional Center (SEEFREC)** was developed in coordination with the Disaster Preparedness and Prevention Initiative (DPPI) for South Eastern Europe and supported by the World Bank and the United Nations International Strategy for Disaster Reduction (UN ISDR). The project which will gather interested countries from South East Europe is envisaged to bring added value to South East Europe in fighting and preventing forest fires. The project is currently in the phase of the finalization of the terms of reference for a comprehensive feasibility study on fire disasters and management needs in South East Europe, which will form the basis for its realization.
- In the area of **cooperation of defence sector** in South East Europe the RCC Secretariat initiated, in close coordination with the EU institutions, regular meetings of the Defence Policy Directors from the region as well as meetings of the Heads of Military Intelligence from South East Europe.

- The RCC worked to implement projects aimed at renewing and strengthening human potential of South East Europe within the framework of its priority area **Building Human Capital**. This area is crucial for changing the face of the region and the accomplishment of started and envisaged reforms, as well as for an accelerated evolution of many stereotypes that might have a slowing effect on regional cooperation.
- In cooperation with the Czech Republic's Presidency of the Council of the EU, the RCC organized a Ministerial Conference on Developing Regional Research Strategy for the Western Balkans, held on 24 April 2009 in Sarajevo. The conference launched a **Regional Strategy on Research and Development for the Western Balkans** and reaffirmed readiness of the region for cooperation in the fields of research and innovation in a comprehensive manner, moving from a fragmented to an integrated approach, promoting the establishment of competitive regional Centers of Excellence, closely connected with higher education and business sectors, in the fields of strategic interest for the region. The RCC Secretariat has been **tasked with coordinating future steps in the context of the elaboration of the Regional Strategy**.
- After outlining main projects and initiatives undertaken to date within the framework of the RCC, allow me to inform you on **the role of the RCC and its Secretariat in the context of the planning and programming of the EU Instrument for Pre-Accession Assistance (IPA) Multi-beneficiary Programme**. This remains one of the crucially important tasks of the RCC and its Secretariat, in particular as the RCC is regarded, in this very sense, **as a key partner and interlocutor of the EU in relation to the development of regional cooperation in South East Europe**.
- The RCC Secretariat has established **active cooperation with the European Commission**, in particular with the relevant services of the Directorate-General for Enlargement, in the framework of the **programming of the Multi-beneficiary IPA Programme** and the identification of possible regional projects to be submitted for financing under this important pre-accession assistance instrument. The RCC Secretariat's representatives participate regularly in the **IPA Multi-Beneficiary Coordination Meetings**, one of which was hosted by the RCC Secretariat in Sarajevo in October 2008.

- This cooperation was utilized as an opportunity to **commence the process of discussion among IPA beneficiaries and the RCC Secretariat on the development of possible models for elaboration of relevant projects to be potentially financed under the Multi-beneficiary IPA Programme**. As a result of the discussions with the RCC National Coordinators from South East Europe on the one hand, and within the Multi-beneficiary IPA coordination meetings on the other, an RCC Project Portfolio containing 22 preliminary project ideas was produced and submitted to the European Commission in May 2009 after a **thorough regional consultation process with beneficiary countries-members of the RCC and regional initiatives affiliated to the RCC framework**.
- As a result of the RCC regional and EU recognition, **the representatives of the RCC Secretariat have been included in the future work of special groups to define the strategic approach for the financing of the next MB IPA programming cycle 2011-2013**.
- Networking between the RCC Secretariat, the European Commission and relevant IFI's has been also strengthened through **regular participation of the representatives of the RCC Secretariat at the meetings of the International Financial Institutions Advisory Group (IFI AG)**. These meetings provided the RCC with an opportunity to inform about its activities, new initiatives and projects and enabled an insight to the RCC into the priorities of other stakeholders and possibilities to formulate coordinated approaches and strategies for the benefit of the region.
- The Chisinau Joint Statement adopted at the Summit of the SEECP in June 2009, tasked the RCC to establish a **high-level expert panel aimed at stimulating in-depth discussions on economic and financial measures in response to the crisis**. On this occasion, I would like to inform you that the **first meeting of the panel** took place in Sarajevo on 17 September 2009. We have gathered together heads of relevant regional task forces and initiatives in South East Europe, whose expertise may assist the RCC in preparing a platform for response to the current economic difficulties and long-standing needs of the region, with a view to a planned conference on Western Balkans, co-organized by the Swedish EU Presidency and the European Commission in co-operation with the RCC, to be held in Brussels on 9 December this year.
- Aware of its achievements, the RCC stands ready to invest additional efforts and remains open to new ideas and suggestions. Work on **prioritisation of**

activities and projects should continue, along with the follow up of the launched projects and streamlining of relevant regional task forces and initiatives active in specific thematic areas of regional cooperation.

- At the same time, we call for active engagement of all regional actors in supporting the RCC to implement its mandate. Only together we can succeed!

Ladies and Gentlemen,

- South East Europe is still faced with several critical challenges.
- There is obviously a **historical necessity to consolidate lasting peace in our part of Europe**, by dealing with and resolving remaining issues in order to create a durable architecture of security and stability in our part of Europe, as a platform for advancement of each and every country towards the EU and Euro-Atlantic institutions.
- **Standstill of the EU enlargement policy** brought about a certain pause and stagnation in the region. In addition, during this period the region continued to be harshly hit by a current financial and economic crisis in Europe and on the global markets.
- We need mutual understanding, accommodation, openness, culture of dialogue and coexistence not only because we live in a very diverse and complex part of Europe, but also because we still need to turn to and resolve many inherited and outstanding issues in our region in order to strengthen the peace and create a durable architecture of security, stability and cooperation – and that we can better accomplish it by dialogue, pragmatism, constraint and compromise.
- In a nutshell, given both political and economic situation, the choice before a large segment of the region is starkly simple. It is a **choice between durable stability and EU inclusion or turning parts of the region into a prolonged crisis spot that will affect us all**. It is a choice between the progress and the future or regression and failure.
- I personally have no doubt that it is really a high noon for South East Europe as this current crisis must be turned into an opportunity to respond to strategically important challenges.

Dear friends of the region,

- Allow me finish by remembering the words of a wise man: “Look to the future, because that is where you'll spend the rest of your life. “ Work for the future of South Eastern Europe begins now!

Thank you!