CONNECTIVITY 2016

CONNECTIVITY
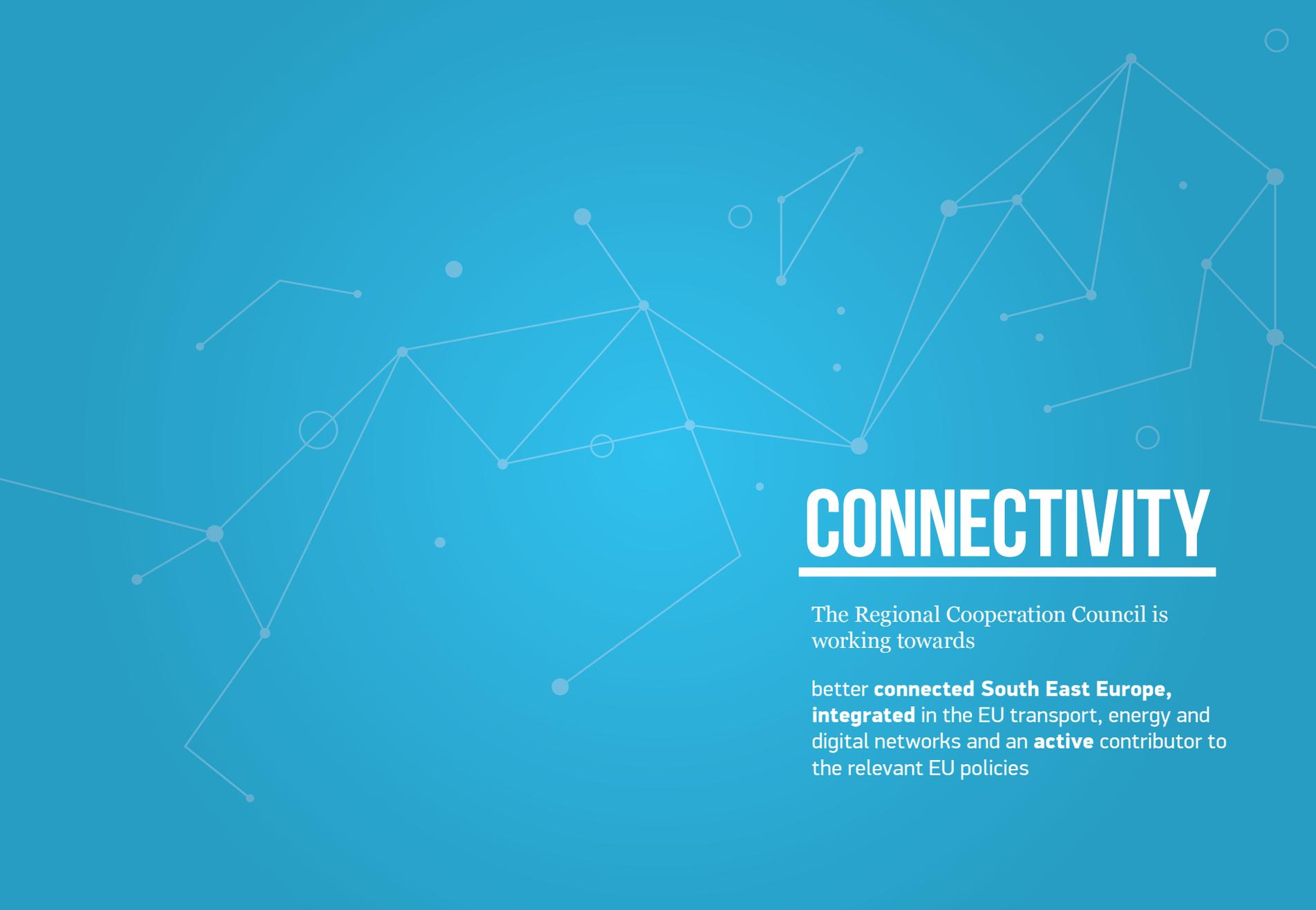
The Regional Cooperation Council is working towards

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

WHERE DO WE WANT TO BE?

Our goals are:

MODERNISED TRANSPORT INFRASTRUCTURE

- Well **connected** South East Europe with **modern** and functional **transport** infrastructure
- Operational economic corridors stimulating **economic development**
- Decarbonised **transport** based on **clean** vehicles and fuels

ROAMING FREE REGION

- **Roaming free** region, compliant with **EU digital** single market, which keeps people connected and businesses more competitive

SUSTAINABLE ENERGY

- **Secure** and **affordable** energy in integrated regional market
- **Efficient** use of energy, and more from **renewable** sources

SAFEGUARDED ENVIRONMENT

- **Safeguarded environment** - clean air, water and soil
- **Resilient** and sustainable **economies,** adaptable to climate change

WHAT DID THE RCC DO SO FAR TO GET THERE?

We brought **economic corridors** in South East Europe to the regional decision-makers' agenda. But we also:

○ **Developed** the concept of **economic corridors** by linking the ongoing progress in trade, transport and industrialisation

○ Analysed and **mapped** industries, intra-regional trade **linkages** and complementarities, services integration, etc. along the SEE **corridor** routes

○ Supported the **'soft connectivity'** agenda and improved corridor management

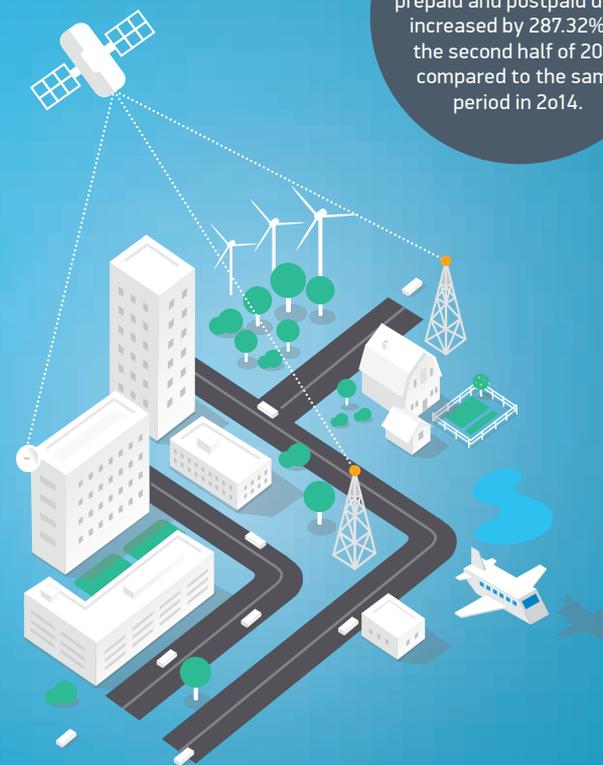We supported regional agreement that led to a **cut of roaming costs** up to 30% in the region, as we:

○ **Delivered** the **first regional**-scale legal, regulatory and market impact **study** of the Regional **Roaming Agreement**

○ **Set** regional policy **dialogue** framework to support further **reduction** of **roaming charges** through the implementation of the Regional Roaming Agreement

○ **Contributed** to development of regional **broadband** infrastructure

We promoted protection of environment and use of clean energy, but also:

○ **Established** regional intergovernmental **environment platform**, which streamlines key regional projects

○ **Introduced** 'Water, Energy, Food and Ecosystems Nexus' approach in SEE for **sustainable** management of natural **resources**, and

○ **Analysed transport** corridors' climate **resilience** and climate proofed infrastructure investments

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

In Montenegro, the amount of transferred data of prepaid and postpaid users increased by 287.32% in the second half of 2015 compared to the same period in 2o14.

It is estimated that it would cost

7.7 BILLION EUR

to implement the priority transport projects in the region

EU has pledged

1 BILLION EUR

for key connectivity related investments over the 2015-20 period

WHERE DOES THE REGION STAND NOW?

South East Europe

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

SEETO's

assessment of the quality of infrastructure in the region in 2014

51% OF ROAD infrastructure was assessed as either very good or good

25% OF RAILWAY infrastructure was assessed as either very good or good

WHAT THE PEOPLE/BUSINESS THINK?

INFRASTRUCTURE IS NOT SUFFICIENTLY ENCOURAGING FOR BUSINESSES

41%

of big companies surveyed in RCC's Balkan Barometer 2016 claim that infrastructure impacts their business negatively — a worrying trend that begs and merits complete reversal

ROAMING COSTS PERCEIVED AS A BURDEN TO BUSINESSES

55%

of business leaders believe eliminating mobile phone roaming charges would be useful for their business

SEE BUSINESSES BELIEVE ROAD INFRASTRUCTURE MODERNISATION IS A PRIORITY

48%

of businesses favor additional investments in existing transport network

WHILE 75%

of public opinion respondents think road improvements would have the most beneficial impact on their lives

ENLIGHTENED ATTITUDES TOWARDS CLIMATE CHANGE, ENVIRONMENT AND ENERGY SAVING

70%

perceive climate change as a real problem

64%

report readiness to buy environmentally friendly products even if they cost extra

94%

of respondents find environmental protection important

79%

of people still believe that pollution will be higher or about the same in the future

WHILE 84%

of respondents in the region are attentive to saving energy in their homes

WHAT THE RCC WILL DO NEXT TO CHANGE THIS?

- ○ **Push** for further connectivity-related **reforms**
- ○ Help **develop** genuine **economic** corridors - logistics, trade, industrial, service and investments
- ○ **Advocate** for **electronic** queuing management at **border-crossings** in the region
- ○ Back **development** of intermodal **transport**
- ○ Support extension of the Regional Roaming Agreement towards **abolishing roaming surcharges**
- ○ Continue work on **regional roaming** regulatory policy
- ○ **Enhance** regional cooperation in information society and electronic communications by supporting competitiveness of **ICT sector**
- ○ Help **develop** regional **broadband** infrastructure
- ○ **Develop** regional platform for energy **management** in the **public sector**
- ○ Intensify work on **decarbonisation** of transport
- ○ Encourage broader use of **alternative** energy **sources**
- ○ **Enhance** regional cooperation in environment, **climate change** and energy efficiency sectors
- ○ **Integrate** environment and climate policies into other policy areas, such as **energy**, transport, **agriculture**, etc.

HOW?

We will:

- ○ **Work together** with all relevant participants in **roaming** and **broadband** reforms
- ○ **Coordinate** extension of the Regional Roaming Agreement – both geographically and to regulate further **reductions**
- ○ **Provide** analytical and expert support in **harmonising** the Regional Roaming Agreement with **EU model**
- ○ **Coordinate** regionally the telecom-related structural **reform** measures
- ○ **Raise** awareness for broadband **infrastructure** deployment
- ○ **Improve** corridor **management** and support deployment of modern **ICT** solutions in **transport**
- ○ **Work** closely with Regional Working Group on **Environment** and **streamline** the key regional **projects**
- ○ **Mobilise** highest political **commitment** for addressing environment and **climate change** challenges in SEE
- ○ **Integrate** environmental policy with other sectors such as **transport**
- ○ **Develop** tools and train relevant actors at national and local level

RegionalCooperationCouncil

SEE2020

THE RCC TEAM IN CHARGE OF CONNECTIVITY FLAGSHIP:

MAJA HANDJISKA TRENDAFILOVA

SENIOR EXPERT ON CONNECTIVITY

T +387 33 561 719
F +387 33 561 701
E maja.handjiska-trendafilova@rcc.int

RADOVAN NIKČEVIĆ

EXPERT ON CONNECTIVITY

T +387 33 561 737
F +387 33 561 701
E radovan.nikcevic@rcc.int

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

TRANSPORT

INFORMATION AND COMMUNICATION TECHNOLOGY

ENERGY

ENVIRONMENT AND CLIMATE CHANGE

Good. Better. Regional.

RegionalCooperationCouncil
SEE2020