

Presentation by Franz Kaps, Member of the Board of the Southeast Europe Association, Munich and former Director of the World Bank Programme for South East Europe (SEE)

### Regional Cooperation Council 2012 Anniversary

Sarajevo, March 14, 2012-02-14

Panel Discussion:

#### From ownership to responsibility: Regional Cooperation in Southeast Europe

Reflections by Franz Kaps, former World Bank Special Representative for Southeast Europe and now Member of the German Southeast Europe Association (Südosteuropa Gesellschaft, SOG)

- As a “veteran” of the EU enlargement process – I served between 1997 and 2004 as the chairman of the World Bank EU enlargement working group and between 2004 and 2007 as the World Bank Special Representative for SEE in a Joint Office with the European Commission in Brussels – I am very pleased to participate in the 5<sup>th</sup> anniversary of RCC
- Very few people outside the region are aware that RCC is the “product” of a rather unusual process: it replaced the former Stability Pact for SEE which in 2006/2007 concluded that it had accomplished its mandate of assisting the countries of SEE in their aim to become members of the European Union. Under the effective leadership of Dr. Erhard Busek the SP worked hard to ensure that the Stabilization and Association Process (SAP) no longer be driven by Brussels but rather by the candidate (Croatia, Macedonia and Montenegro) and potential candidate countries themselves. Once the SP and the countries supporting it concluded that this was the case, the SP effectively “shut down”
- Of course, we would not celebrate the 5<sup>th</sup> anniversary of the RCC if the RCC and the countries of the Southeast European Cooperation Process (SEECp) had not demonstrated that they were ready to assume ownership for improved regional cooperation and, as a result, assisting the candidate and potential candidate countries in complying with SAP provisions as a step towards starting membership negotiations
- Allow me to express a special congratulation to RCC’s Secretary General Hido Biscevic whom I had the privilege to meet first during several SP meetings in 2006 and 2007. He has provided the leadership necessary for much of RCC’s achievements
- I am going even so far in suggesting that RCC has also played an important role in assisting, at least in part, in Croatia being close to becoming the 28 member of the EU

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- However, the “road towards Brussels” for the other candidate and potential remains difficult, perhaps even more difficult than for all the previous candidate countries. EU member countries worry today much more about the future of the Union itself and especially the Euro Zone. Thus, further EU enlargement is at this time not on top of the agenda of any EU country
- While this may sound discouraging to many of these countries, they should use the time to do much of the home work they would have to undertake even if membership negotiations had already started. The *EU Communication on the Enlargement Strategy and Challenges for 2011-2012* (and probably for subsequent years as well), dated October 12, 2011, presents a clear menu of things to be done, such as focus and demonstrable actions in areas such as “**good governance, the rule of law, administrative capacity, unemployment, economic reform and social inclusion as well as the fight against corruption and organized crime, and establishing an independent judiciary**”
- Moreover, “**regional cooperation and good neighborly relations**” are cited in the EU communication as continuing key challenges
- In this regard, RCC can be proud of its contribution to a number of regional cooperation initiatives, notably the **Energy Community, the Southeast Europe Transport Observatory, the European Common Aviation Area, the Central European Free Trade Agreement (CEFTA) framework**. A new regional initiative launched in June 2011 under the Hungarian EU presidency, the **EU Danube Region Strategy**, may also offer room for RCC interventions
- As a former representative of one of the key International Financial Institutions (IFIs) and former Secretary of the Infrastructure Steering Group (IFI) I can testify that the former SP and subsequently the RCC have been key players in assisting countries from the region in preparing projects which the IFIs – notably EIB, EBRD, CEB and the World Bank – considered worthy of IFI support. I am sure that RCC is doing a similar important job today, including to secure Instrument for Pre-Accession (IPA) and other EU and IFI funding to meet the large investment needs in the region’s energy, transport and environment sectors
- Putting on my hat as a representative of Germany’s most important NGO dealing with the countries of Southeast Europe, I first would like to share with the audience the information of Germany’s continued support to the RCC as it was conveyed to the Secretary General during his recent visit to the German Foreign Ministry in Berlin and also at the Secretary General’s visit to SOG headquarters in Munich
- SOG has been a supporter of the Stabilization and Association Process for a long time, first via the SP and subsequently the RCC. We were proud to assist RCC in a number of major events and would be happy to do so in the future, especially at a time when it might be necessary to help overcome enlargement fatigue in the candidate and potential candidate countries at a time when actual EU membership might be very far down the road. SOG could bring to the discussion its extensive experience in

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interacting with civil society actors both from EU member as well as countries in the Western Balkans

- Moreover, SOG would be happy to be associated with RCC activities in the area of
  - Regional cooperation and economic opportunities, which allows bringing together entrepreneurs from EU member countries and the region; SOG, together with the Bavarian State Chancellery, the German Foreign Office and the Aspen Institute organized a high level conference in December in Berlin in which RCC also participated
  - renewable energy and climate protection, a topic SOG has been dealing with intensively;
  - the broad environment agenda, a topic also of great importance under the EU Danube Strategy and where SOG, together with the Bavarian State Government organized in 2011 a major international conference;
  - protecting and helping support programs for minorities, especially the Roma

In closing, it is obvious that RCC has a large unfinished agenda. I wish it a lot of success for the coming 5 years. Like many other institutions, SOG stands ready to support RCC in any way possible.