



**DRAFT ANNUAL REPORT  
OF THE RCC SECRETARY GENERAL  
MAY 2023 – MAY 2024**

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## Foreword

***“To maintain weight in a world that is changing fast, we need to leverage our relations. Cooperation is the crux of the matter.”***

I said this on the first day of my tenure as the RCC Secretary General, but little did I know how strongly these words would resonate now almost six years later.

The immense tableau of change that has swept across our globe has deeply stirred the waters of the entire world, including our region. Since 2019, the world has been a whirlwind of change and we have navigated through landscapes that none could have foreseen, landscapes that have reshaped the very essence of our societies. Unprecedented technological advancements have reshaped industries and lifestyles, while global politics have seen rising tensions and shifts. The outbreak of war in Ukraine marked the first major conflict on European soil in this century, reshaping geopolitical dynamic. Economically, the globe faced the wrath of a pandemic, leading to recessions that tested and is still testing the resilience of every market.

Yet, in a whirlwind of such strong global and all-encompassing transformations, regional cooperation proved to be a safe vessel in a storm, and I am proud and privileged to have been at the helm of one of the driving forces of that vessel, the Regional Cooperation Council.

Our course was charted by the twin stars of opportunity and obligation. We have been tasked with not just witnessing change but spearheading it. Our initiatives have aimed to not only respond to immediate challenges but to anticipate the road ahead, ensuring that our region is not left behind as the world leaps towards new norms of economic and environmental sustainability.

Throughout my tenure, the RCC has been a crucible of innovation and action and the regional cooperation has made a significant impact across our region. We've championed the economic transformation of our economies, propelled its green transition, and empowered region's human capital, especially of women and youth. Through the implementation of the Common Regional Market our region is now more connected than ever. Yet, while the results are promising, there is still a long way ahead and the focus on regional cooperation must intensify as our future prospects are deeply intertwined with it. The success of regional integration through the Common Regional Market hinges on smooth operation, free from regional disputes, as it serves as a conduit to the EU Single Market and EU membership.

Whereas as of end-2023, levels of real GDP in the Western Balkans surpassed the pre-pandemic levels, poverty returned to its declining trend, and employment rates reached a record high of 60.5% in 2023, marking an over 9% increase in the last three years, one has to be careful thinking about the reasons behind it that are multifaceted. With one fifth of the Western

Balkans population living abroad we also know that emigration and brain drain from our region is a constant.

As I was penning this foreword I received the data from the new and yet unpublished Balkan Barometer. It shows that 71% of our youngsters consider leaving their home economies. It also shows a further decline, a steep one as well, of the support of Western Balkan citizens to EU membership. With 54% of Western Balkan citizens supporting the EU membership the sentiment still remains largely favourable across the region. But an 8-point drop since 2021 is a stark reminder of the frustrations many feel about the pace of progress and a call to action. On a good note, the percentage of those thinking that the EU accession will never happen dropped by 5%, from 23 to 18%. So, optimism is there, but it comes less easily. Developing the region's potential will require new sources of dynamism and transformation to overcome deep-seated social, institutional and environmental challenges.

As I reflect on the changes that drove us to where we stand now, it is clear that the region is markedly different from six years ago. Yet, the path ahead is one of continued change and challenge. So, as we cast our gaze forward we should not be discouraged of the arduous path and the steep ascent. Because the essence of our journey lies not in the avoidance of hardship but in the embrace of possibility. In every whisper of change, there is the potential for success. In every challenge, there is the seed of unprecedented opportunity. Let us nurture these seeds, and together, with regional cooperation as a shining star, watch them grow into the very embodiment of our goals. Let the changes around us not daunt but inspire us to mould them into stepping stones towards our collective future where each challenge we encounter, each obstacle we overcome, brings us closer to the realisation of our shared aspirations.

To truly realise the potential of our shared aspirations and embrace the winds of change, let us hold fast to Winston Churchill's wisdom: united we stand strong, divided we falter. Together, through steadfast collaboration and unyielding commitment, we will turn the tides of challenge into channels of triumph.

*Majlinda Bregu*

## Executive Summary

Last twelve months have been rather eventful, not least when it comes to the EU and regional integration. Throughout this period, RCC's activities have clearly illustrated the momentum that the Regional Cooperation Council (RCC) as an organisation gained over the years and its importance to all stakeholders. We are pleased to report that the implementation of our **Strategy and Work Programme (SWP) 2023-2025** was smooth and that it is on good track to be fully realised.

Regional Cooperation Council has invested great efforts to move forward with its **mobility and digital agendas**, and we are currently moving full steam ahead to develop the **second iteration of the Common Regional Market (CRM) Action Plan**, which will stand as an important pillar of the **EU's Growth Plan for the Western Balkans**. Our work in South East Europe continues through the implementation of the **South East Europe 2030 Strategy** and our role as the operational arm of **South East European Cooperation Process (SEECP)** chaired by Podgorica and Skopje over the reporting period. In the past year, we continued to measure the pulse of our societies by means of **Balkan Barometer and SecuriMeter surveys**, adding to our toolbox also a special edition of the Balkan Barometer addressing consequences and implications of the war in Ukraine.

In the year to date we have been indeed hard at work across our agendas – from digital, women empowerment, to security and innovation, which was reflected in the plethora of successful events such as Balkathon, Butterfly Innovation Award, Jumbo Security Conference, Western Balkans Digital Summit, and Western Balkans Women Entrepreneurs of the Year, to name just a few.

**Engagement with young people and students** is extremely important for RCC to spread the message as far and wide as possible and to empower the youth. Secretary General of RCC was invited to give several lectures at renowned universities (including College of Europe, Michigan State University, International University of Sarajevo, University of Athens, and University of Zagreb) where she familiarised students with the regional cooperation in South East Europe and in Western Balkans in particular, and discussed important issues for the young. In line with our efforts to support students, **RCC also signed a Memorandum of Understanding (MoU) with College of Europe (CoE)** to offer one scholarship per year to one student from an SEECP Participant to study at the recently opened College of Europe campus in Tirana. In the reporting period, we also offered a great number of opportunities for internships, welcoming seven young people at the RCC to expand their experience and knowledge after the studies.

It is important to note that in the past twelve months we have witnessed a **salvo of positive news regarding EU enlargement**. These breakthroughs range from holding the first intergovernmental conferences opening the accession negotiations with North Macedonia and

Albania, opening accession negotiations with Bosnia and Herzegovina, granting visa liberalisation to Kosovo\*, opening EU accession talks with Ukraine and Moldova, to granting candidate status to Georgia. In December last year yet another EU-Western Balkans Summit was held, which has become a traditional forum to discuss important issues of EU accession.

Important signal regarding EU enlargement came in November last year, when the European Commission launched the **Growth Plan for the Western Balkans**, designed to extend benefits of EU membership to our region before official accession, and more recently when the **Reform and Growth Facility** was approved by the European Parliament and the Council. The Plan aims to stimulate economic growth and accelerate socio-economic convergence, supported by a commitment of 6 billion EUR in grants and loans.

Yet, with every piece of positive news comes significant effort. Numerous small steps are necessary to lay the groundwork for more significant progress towards our ultimate goal: EU accession. Our path is clear – advancing individual reform agendas and completing the **Common Regional Market** as stepping stones towards the EU Single Market, which will lead to full EU membership. Although the path is well-defined, the real challenge is ensuring that prompt actions align with this clear vision, as integration within the region is essential for accessing the EU Single Market.

In this context, it is worth mentioning that, after Skopje and Tirana, the **Leaders of the Western Balkans adopted another Joint Declaration in Kotor**, underscoring the crucial role of the Common Regional Market in fostering economic integration within the region. This Joint Declaration marks a significant step, outlining key priority areas, along the way as we prepare the new Action Plan for the Common Regional Market.

RCC and CEFTA were invited to coordinate, in close cooperation with other regional partners, as well as the relevant authorities of the WB economies and Prime Ministers' Sherpas, the preparation of the second iteration of the Common Regional Market Action Plan, based on the agreed priority areas. The **second phase of the CRM Action Plan** should act as a bridge to the EU's Single Market across multiple sectors, and the priority areas are defined as follows: 1) Free movement of goods; 2) Free movement of services; 3) Horizontal trade measures; 4) Human capital development; 5) Business enabling environment and competitiveness; and 6) Digital transformation.

One example of a measure that can potentially greatly improve internal regional integration as well as Western Balkans phase-in into the EU Single Market is progress towards the **Single Euro Payments Area (SEPA)**, with the goal of making payment transactions within the economies as fast and economical as possible. Every year the Western Balkan economies spend 6 times more than EU to settle international payments but the region's path towards SEPA

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\* 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.

membership will allow fast, safe and efficient payments and bring up to 500 million EUR benefits annually<sup>1</sup>.

On the **mobility agenda**, in the reporting period, a significant milestone was reached with the signing of the [Agreement on Recognition of Professional Qualifications for Nurses, Veterinary Surgeons, Midwives, and Pharmacists in the CEFTA context](#) at the Tirana Berlin Process Summit in October 2023. This landmark Agreement not only expanded the list of mutually recognised professions in the region but also aligned with EU legislation. By doing so, it aimed to facilitate workforce mobility and address evolving labour market dynamics and demographic shifts in the Western Balkans.

RCC also diligently facilitated work on the implementation of **Mobility Agreements** that entered into force in the preceding period. Efforts towards implementing the **Agreement on Recognition of Higher Education Qualifications** have already commenced with the Joint Commission (JCHEQ) established. Despite the progress made, certain Agreements in the mobility portfolio are still pending full implementation. Notably, the **Agreement on Recognition of Professional Qualifications for Doctors of Medicine, Dental Doctors, and Architects in the CEFTA context** awaits the final adoption of Terms of Reference by the CEFTA-RCC Joint Working Group. The **Agreement on Freedom of Movement with Identity Cards in the Western Balkans** was ratified, and its implementation has begun across five Western Balkan economies (with exception of Bosnia and Herzegovina). The Commission responsible for overseeing the implementation was established in July 2023 and formalised its operational framework through the adoption of approved Rules of Procedure (RoP). According to the data obtained by RCC, the number of entries/exits of citizens travelling with their ID cards within Western Balkans for the period 1 October 2023 - 31 March 2024 is approximately 13 million.

In persisting with our efforts to foster educational exchange and freedom of movement for youth in the region, the negotiations for the **Agreement on Access to Higher Education and Admission to Study in the Western Balkans** (working title) were officially launched in April 2024 by RCC as the facilitator and coordinator. The agreement aims to streamline access to higher education across Western Balkan economies and promote academic mobility within the region.

After the introduction of Roam Like at Home model in the region in 2021, the focus of work in the roaming area was switched to the reduction of roaming charges between the WB and the EU. The Regional Cooperation Council led the negotiations process, supported by the European Commission. The reporting period has seen an important breakthrough in the roaming portfolio with the **start of implementation of [EU-WB Roaming Declaration](#)**, signed by 38 operators from the region and the EU, leading to reduced roaming charges, starting on 1 October 2023. Taking into account that the operators could choose the way how to introduce

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<sup>1</sup> World Bank data

the reductions, most of them reduced the prices of roaming packages, many of them significantly, while some operators even cut the regular prices of 1 GB by more than 99%, meaning their customers no longer experience "bill shocks".

Over the course of the reviewed period, we have continued implementing measures agreed under the **Green Agenda for the Western Balkans (GAWB)**. A new technical framework has transformed the RWG on Environment into the Regional Working Group on the Green Agenda for the Western Balkans (RWG GAWB), outlining its operational framework to fulfil its mandate as per the GAWB Action Plan. The RWG on GAWB serves as a platform to guide the implementation of the Sofia Declaration and the GAWB Action Plan. It leads technical discussions, lays the groundwork for the Annual Ministerial Conferences on GAWB including the first conference in October this year—and ensures the crucial deliverables associated with the GAWB within the Berlin Process are achieved. Within this framework, several significant deliverables led by the RCC were achieved, notably the endorsement of the [Regional Joint Statement on Preventing Plastic Pollution, including Marine Litter](#) by Western Balkans Leaders at the Tirana Berlin Process Summit in 2023. This important regional document reflects the commitment of the region to protect biodiversity and water ecosystems by addressing plastic pollution including marine litter, based on best circular economy practices to prevent, reduce, reuse, and recycle. In December, the RCC collaborated closely with Western Balkan economies to develop a comprehensive Regional Action Plan, in alignment with the Joint Statement, outlining six goals, 26 measures, and 100 activities aimed at translating political commitments into tangible actions for conserving marine and riverine environments, marine resources, and ecosystems at both regional and economy levels.

Importantly, the launch of the Western Balkans Green and Circular Economy Stakeholders Platform initiates and maintains active public-private dialogues focused on implementing the circular economy pillar of the Green Agenda, specifically targeting plastic pollution and the prevention of plastic waste.

On the margins of the Tirana Berlin Process Summit in October 2023, RCC also organised the [first Local Self-government \(LSG\) Forum](#), which provided a platform for structured regional dialogue among LSGs on the implementation of the GAWB Action Plan at the local level and exchanging insights on green and digital transitions. The public-private dialogue initiated through the WB Green and CE Stakeholders Platform fosters exchange to ensure green and digital transition.

Under the **SEECF umbrella**, in July last year, Podgorica handed over the helm of the **South East European Cooperation Process** to Skopje. Over the reporting period, several important meetings were held under the SEECF auspices, including the informal meeting of Ministers of Foreign Affairs in New York, and the meeting of Ministers of European Affairs in Skopje in March this year.

RCC continues to refine its strategic focus, as demonstrated by the **ongoing update of the SEE2030 Strategy**, which aims to align regional priorities with current challenges. In 2024,



the RCC launched this update in communication with the SEE2030 National Coordinators. As part of this updating exercise, RCC will also conduct consultations with various stakeholders in the SEE region, ranging from parliament members and youth organisations to academic institutions and think tanks. After gathering and compiling feedback from all SEE Participants, RCC plans to hold final consultations with pertinent international and regional organisations.

The backbone of the revitalised SEE2030 monitoring is developing **Inclusive Growth Index (IGI) for SEE** based on available data and in line with European standards. RCC contracted technical assistance to prepare a proposal on IGI and technical preparations of SEE IGI were completed under the auspices of SEE Statistical Network.

In the reporting period, RCC conducted the [third edition of its SecuriMeter survey](#) across the Western Balkan economies, engaging more than six thousand respondents. The survey's aim is to understand better citizens' perceptions of the main security challenges and assist practitioners and governments in making informed decisions and evidence-based policies to respond to emerging challenges. The **key findings of the latest SecuriMeter**, presented at the 8<sup>th</sup> Jumbo Security Conference, were important in informing practitioners and shaping responsive and effective security policies. More than 60% of Western Balkan citizens rank organised crime as their top security concern, which goes hand in hand with corruption with 55% of region's citizens believing the level of corruption has increased. When speaking about migration, 70% of our citizens agree our region should shelter migrants needing protection, but majority, 80% of them, believes EU should do more to share the burden. RCC recommended an extended SecuriMeter involving all 13 SEE economies that would provide a full information source on the SEE peoples' perceptions of human security.

In line with this data, in our latest [Balkan Barometer survey](#), young individuals were asked about the areas they feel should receive greater focus from their governments. Job opportunities were identified as a key area by 47% of respondents, while 38% emphasized education and 26% prioritised safety. The survey also uncovered that more than 70% of participants aged 18-25 contemplate relocating and working abroad, while 75% of the population does not trust political parties. Almost three quarter of businesses in the Western Balkans see EU membership as a good thing, 11% more than last year, reaching an all-time high since 2015.

The [8<sup>th</sup> Regional Security Coordination Conference \(also known as the Jumbo Security Conference\)](#), held in Rome in November 2023, focused on the theme - Secure the Future: Building Resilience through Collaboration. This conference aimed to tackle security challenges in South East Europe, especially in the Western Balkans. Organised jointly by the RCC, International Relations Service of the Office for Coordination and Planning of Police Forces of the Ministry of Interior, and the Ministry of Foreign Affairs and International Cooperation of Italy, the event gathered over 100 participants and 55 speakers. It facilitated a vital exchange of ideas among representatives of Western Balkan economies, Italy, EU Member States, and international organisations.

The Regional Cooperation Council has continued to foster an **innovation culture** in the Western Balkans through its successful orchestration of the regional [Butterfly Innovation Award \(BIA\)](#) for the second consecutive year. The BIA encourages creative individuals and organisations to create scalable, market-driven solutions. By highlighting successful innovations and supporting twin green and digital transformations, the BIA significantly contributes to the economic development of the region. Teams from all Western Balkan economies were recognised in six categories, including green industries, STEM, women, universities, and youth at a ceremony RCC organised with the Ministry of Foreign Affairs of Bulgaria, held in Sofia.

Moreover, in our continued efforts to empower women and girls, the RCC organised the third edition of the [Western Balkans Women Entrepreneurs of the Year](#) in March 2024 in Sarajevo. The event, which received more than 250 nominations, awarded six women entrepreneurs and recognised another six with a special prize. These awards acknowledged women entrepreneurs making significant impacts in areas such as societal norms, health promotion, Balkan cuisine, women's empowerment, mental health awareness, and family business development.

**Cybersecurity** has been another area of focus, with the RCC co-organising with the European Commission a [High-Level Cybersecurity Conference “Towards a resilient cyberspace in the Western Balkans”](#) in June 2023 to address regional cybersecurity challenges. This initiative complements RCC’s efforts in digital transformation, as evidenced by the organisation of the **Balkathon** competition and the **Western Balkans Digital Summit (WBDS)** that took place in Sarajevo, which foster technological innovation, digital transformation, cybersecurity, and cooperation in general. The 6<sup>th</sup> WBDS concluded the first cycle, while in March 2024, preparations for the next cycle kick-started with the first meeting of the WBDS Steering Committee for the organisation of WBDS 2024.

Continuing our successful cooperation from last year, together with the Federal Ministry for European and International Affairs of Austria (BMEIA) we will support organisations or individuals from South East Europe through the flagship [2023 Champion of Regional Cooperation Dr Erhard Busek Award](#). This year, the financial support for the awardee will be doubled to 10,000 EUR.

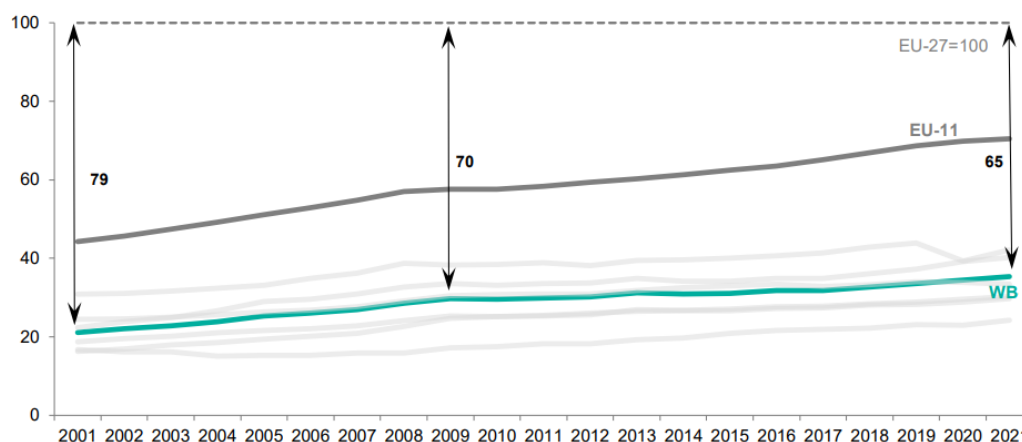
## General Trends in Regional Cooperation

Two trends in the region threaten to exacerbate political and socio-economic tensions, and what is even more worrying, they are interconnected. The issues of **depopulation and economic convergence/divergence** in South East Europe certainly predate the reporting period, but the sense of urgency caused by the current geopolitical anxieties brings them into clearer focus. As any potential solution might take years to come to fruition, the overall feeling is that time is already ticking away.

According to World Bank and United Nations data, compiled by BIRN<sup>2</sup>, based on current projections, by 2050, Bulgaria's population is expected to decrease by 38.6% from its 1990 level. Similarly, Serbia, Croatia, and Romania are projected to see reductions of 23.8%, 22.4%, and 30.1%, respectively. Moldova has already experienced a population decline of 33.9% compared to 1990. While specific figures and percentages may differ, the trend of population decline is consistent across nearly all economies in the South East Europe, though some are more affected than others. In addition, COVID-19 pandemic asymmetrically affected economies and populations in Europe and it only exacerbated the problems of economic divergence, inequality and depopulation.

While labour mobility in general is a good thing, and Regional Cooperation Council strives to increase it in the region, it is evident that South East Europe, and Western Balkans in particular, demonstrate signs of structural depopulation and long-term demographic decline.

GDP (PPP) per capita, constant 2017 international dollars, where EU=100



Source: IMF WEO, October 2022, and authors' calculations.

Note: The WB-6, EU-27 and EU-11 averages are weighted based on current values of GDP in 2021 at market exchange rates.

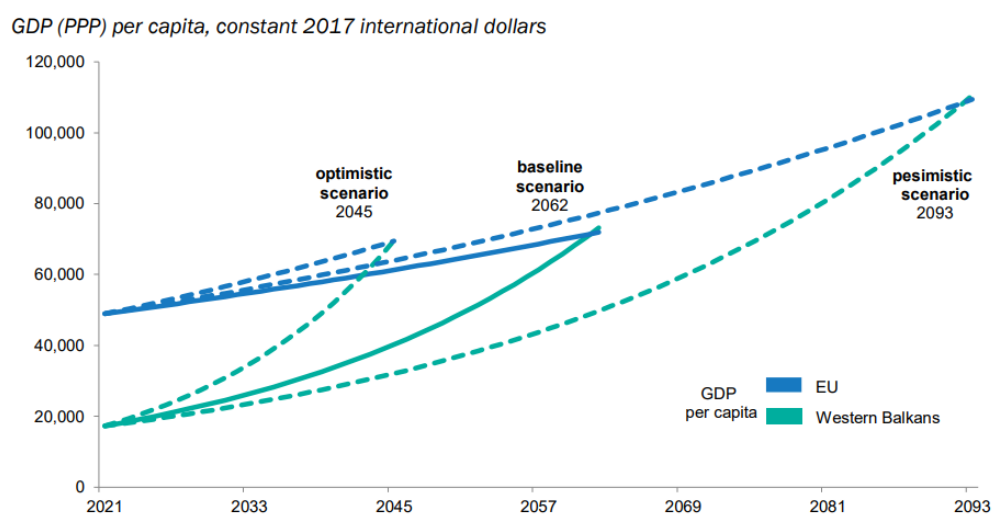
Graph 1: Taken from EBRD (2024): Can the Western Balkans converge towards EU living standards?

<sup>2</sup>Judah, Tim, BIRN: "[Bye-Bye, Balkans: A Region in Critical Demographic Decline](#)"

Demographic decline is not evenly distributed and tends to be more pronounced in rural and remote areas. These areas are particularly affected by the loss of younger population who migrate to urban centres or abroad for better educational and employment opportunities. The ongoing demographic shifts are closely linked to economic conditions, availability of services, and basic development indicators. A worrying statistics is that 71% of young people in Western Balkans consider leaving abroad, according to RCC’s recent SecuriMeter.

Comprehensive strategies that include improving local and regional economic conditions, enhancing infrastructure, and possibly leveraging other instruments could provide new opportunities for stabilising and revitalising these affected economies and reversing the depopulation trend. This lies at the essence of South East Europe 2030 Strategy and is closely linked to efforts to catch up with the EU average in economic terms.

Depopulation and economic divergence compared to the EU standard are so interwoven that it is almost impossible to discern cause and effect in this negative spiral of population and economic decline. Another crucial policy, this time for the Western Balkans, that approaches the issue from the economic point of view in hope that improved job opportunities and economic growth would reverse depopulation is the **EU’s Growth Plan for the Western Balkans** and one of its main pillars – **Common Regional Market**.

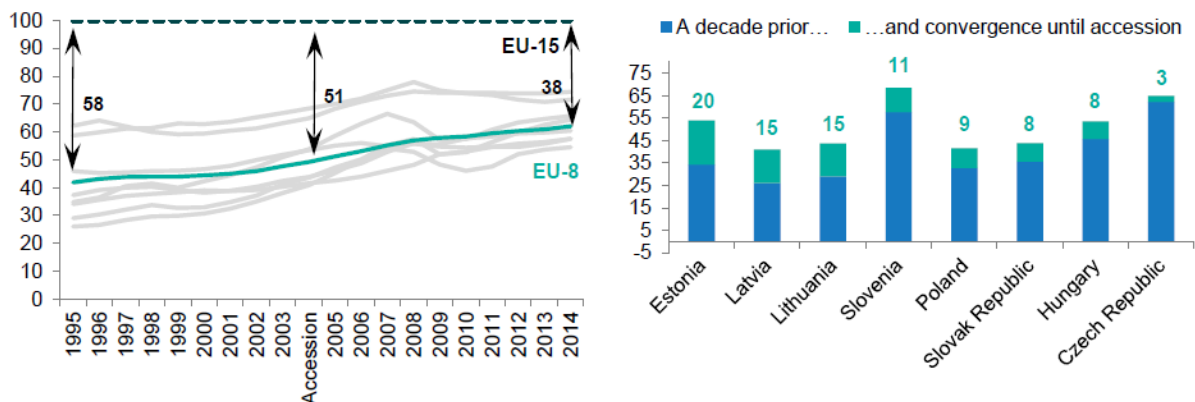


Source: IMF WEO, October 2022, and authors’ calculations.

Graph 2: Taken from EBRD (2024): Can the Western Balkans converge towards EU living standards?

The graph above shows that on average, Western Balkan economies are just slightly over one third of GDP (PPP) per capita of the EU’s average, while 11 EU Member States that joined in 2004 and later are at three quarters of that average. With the current pace of anaemic growth, it is obvious that it would take decades before Western Balkans catches up with the EU. That can be concluded from the following graph.

Efforts to close the convergence gap between the region and the European Union are at the core of the EU’s Growth Plan and the recently adopted financial vehicle titled Reform and Growth Facility. Early access to certain sectors of the EU Single Market, together with the direct financial support are supposed to reverse economic downgrade and thus prevent further brain drain and depopulation. In this context, it is worth reminding ourselves what sort of boost accession to the EU provides to economies. A decade prior to the accession date, eight current EU Members States converged with the EU average merely by 7 percentage points, while in the decade after their GDP (PPP) per capita rose by 13 percentage points compared to the EU average.



Graph 3: Taken from EBRD (2024): Can the Western Balkans converge towards EU living standards?

Regional Cooperation Council aims to contribute to improving economic growth and convergence with the EU, not least through the completion of the Common Regional Market and the implementation of its South East Europe 2030 Strategy. Improving economic opportunities and creating conditions for growth and jobs constitute the first step to stemming depopulation and creating a perpetual virtuous circle of economic development and brain (re)gain.

# Support to the Implementation of Regional Programmes

## A. Western Balkans Common Regional Market (CRM)

### *A1. Economic Competitiveness*

#### A1.1. Investments and Financial Markets

Over the past year, Regional Cooperation Council continued to facilitate regional dialogue on investment policy through the **Joint Working Group on Investments (JWGI)**. Under the facilitation of the RCC and with the technical support of counterparts, a set of guiding principles for the Regional Investment Screening Standards, aligned with the EU framework, has been agreed upon in principle through technical-level consultations. These standards will be one of the deliverables for the upcoming Berlin Summit. They will serve as a baseline for Western Balkan economies to develop their own **investment screening mechanisms**, which are expected to provide the legal basis for screening investments that threaten the security and public order of their respective economies. The RCC together with the World Bank also continued its capacity-building efforts for investment policymakers in collaboration with its counterparts by supporting programmes that sought to improve both technical and negotiation skills necessary for achieving balanced outcomes in the **negotiation of International Investment Agreements (IIAs)**, aligned with the European Union model. The RCC has contributed to enhancing transparency for investors and informing decision-making regarding the incentive regime by creating a detailed **regional inventory of investment incentives**, including fiscal, non-fiscal, and sector-specific incentives, building on the previously developed database. Additionally, the RCC supported investment promotion efforts in the Western Balkans by providing regional promotional materials and initiating another round of support for **investor lead generation campaigns**. The World Bank supported the preparatory phase of the campaigns.

In regard to financial markets, during the reporting period, reconfirmation of the **Western Balkans' commitment to the Single Euro Payments Area (SEPA)** has been a significant development, including the endorsement of the [Joint Statement](#) at the Tirana Berlin Process Summit in 2023. Meanwhile, the majority of Western Balkan economies have **made significant progress towards meeting the SEPA criteria** and are positioned to apply for membership in either 2024 or 2025. The Payment Services Directive 2 (PSD2) is the critical legislation in the harmonisation process within the EU payments market, particularly concerning the requirements for joining SEPA. The Western Balkan economies have largely transposed PSD2, especially the provisions pertinent to SEPA. The RCC has contributed to this process by providing the regional platform for tracking progress and discussing common issues related to membership.

Harmonisation of the licensing regime for **non-bank payment service providers (PSPs)** in the Western Balkans along with the adoption of the **European Payments Council (EPC) QR code standards in payment transactions** were initiated under the auspices of the Working Group on Financial Markets (WGFM). These initiatives were well-received and marked for further discussion. For the licensing regime harmonisation, it was agreed that a phased approach would be most effective. This approach would involve identifying specific steps that have potential for mutual recognition. Harmonising the licensing regime is expected to level the playing field, increase competition, and lead to more cost-effective and expedited payments, while adopting the EPC QR Code standards would ensure a seamless transaction experience for all parties involved.

With the consent of Western Balkan economies, the RCC has taken on the responsibility to **initiate dialogue with PayPal** to facilitate the expansion of international payment services (both sending and receiving) in Western Balkan economies where these services are either only partially available or completely unavailable, and to support formal authorisation for internal payments across the region. A letter explaining the issue and extending the request for cooperation to solve it has been prepared by the RCC, endorsed by Western Balkan economies, and shared with PayPal. Meanwhile, those Western Balkan economies that managed to enable both inward and outward international PayPal payment services have shared their knowledge with the others. Moreover, sustainable finance topics such as green taxonomy and green bonds, and financial inclusion topics like financial literacy have been introduced at the technical level, and efforts to establish regional cooperation in these areas are underway.

### *A1.2. Industrial Development and Sustainable Tourism*

During the reporting period, RCC's work on Industrial Development focused mainly on creative industries, green and circular economy value chains, and entrepreneurship support (with particular focus on women entrepreneurship and women economic empowerment).

On **Creative Industries (CIs)**, RCC worked along **two main directions**:

- a) it enhanced support to **regional creative events** by bringing the policy dialogue on creative industries closer to the creative industry stakeholders;
- b) it facilitated regional dialogue together with city authorities through the **Creative Cities Strategy**. This strategy was kicked off with a dedicated regional workshop organised in October 2023 in Tirana to highlight the importance of creative cities in the region and sum up the lessons learnt from European Cities of Culture and of Youth in the Western Balkans (such as Tirana, Skopje, Novi Sad, etc.). The workshop brought together policy-makers, cultural activists, artists, and entrepreneurs to share experiences, insights, and best practices drawn from the region and beyond.

On the **Green and Circular Economy (CE) Value Chains**, following the mapping of green and circular economy stakeholders in the WB, RCC expanded synergies between the CRM



initiatives and the Green Agenda for the Western Balkans actions on the Circular Economy pillar. This resulted in the launch of the **Western Balkans Green and Circular Economy Stakeholders Platform**, which brings together public and private sector representatives as well as regional and international organisations to create synergies on circular economy activities and strengthen efforts towards green transition by sharing good practices.

The reporting period in the **Sustainable Tourism** agenda has been notable for efforts to elevate the region's standing within the vast tourism market. The conclusions and suggestions of the **Tourism Expert Group (TEG)** meeting in November 2023 in Podgorica touched upon both progress and challenges in the realm of sustainable tourism for the economies. Last year's exceptionally successful tourism season in the Western Balkans is a case in point, signalling a robust uptick with an average increase of 23% in tourist arrivals and 27.5% in overnight stays region-wide. This success notwithstanding, there is a shared recognition among the economies of the need to sustain and even accelerate tourist inflow against the backdrop of the dynamic global tourism market.

The consensus among TEG members was the critical need to **enhance competitiveness** by carving out a distinct regional identity, advocating for the strategic development of a Western Balkan regional brand. This initiative is poised to not only draw tourists and investors but also to foster unity and collaborative spirit across the Western Balkan economies.

In February 2024 in Tirana, addressing these strategic priorities, the RCC organised **Regional Tourism Forum** within the framework of the Tourism and Travel Show Albania, focusing on Elevating Tourism, Empowering Sustainability. This comprehensive platform was developed to evaluate the region's potential and explore its ability to adopt advanced tourism branding strategies. It brought together a cross-section of stakeholders, including ministry officials, academicians, organisational bodies, and the private sector, underscoring the critical role of regional branding in promoting economic advancement and interregional cooperation. The forum's outcome reinforced the urgency of focusing on regional branding, culminating in the active development of a Roadmap towards Regional Branding currently underway.

## A2. Human Capital Development

### *A2.1. Research and Innovation Area*

**The Western Balkans' innovation performance increased** during the past twelve months. As an illustration, the uptake of [Horizon Europe](#) programme opportunities significantly increased in the reporting period, compared to the Horizon 2020 programme. In the first two years of Horizon Europe, the region attracted 107 million EUR through 630 grants. The region's participation was especially productive in agri-food and energy fields, and least productive in the Innovation Pillar with only 2 million EUR absorbed. Out of 500 participating organisations in various projects, 20% account for SMEs.



However, **the region must invest significantly more** given that all economies are emerging innovators according to the European Innovation Scoreboard 2023 (EIS). The region performs above the EU average (in 2023) in product and business process innovators indices, and reasonably well in employment impacts and environmental sustainability. Serbia's innovation performance is above the average of the Emerging Innovators according to EIS, while the remaining economies are below half of the EU average. The Balkan Barometer data show that only 12% of businesses have received public and/or donor financial support for innovation activities during the past three years.

The RCC continued coordinating research and innovation-related activities through its **Western Balkans Innovation and Research Platform**. The RCC closely collaborated with various stakeholders ranging from WGs on Research and Innovation and Open Science to Policy Answers Horizon Europe project and the Rectors' Forum of South East Europe and Western Balkans. The **RCC's regional map of research and innovation infrastructure** gained considerable traction and was applauded at various events such as the Joint Science Conference in the framework of the Berlin Process and Policy Answers project regional workshops. Experts from the region suggested a regular updating of the document and creating an online database tool for boosting regional collaboration and mobility of researchers. Such a hub would be an add-on to the successful [Platform's website](#) designed to streamline regional innovation and research developments. The RCC co-organised with the Policy Answers two workshops dedicated to research infrastructures and the mobility of researchers. Consequently, the RCC assisted in designing and promoting a regional pilot initiative on researcher mobility and an innovation voucher scheme inaugurated in 2024. Also, the RCC assisted Eureka Network in designing and launching a ring-fenced call for the WB in early 2024. In addition, the **RCC coordinated regional open science initiatives** by promoting key activities of the European Commission and the UNESCO Recommendation on Open Science.

In the reporting period, the RCC assumed an active role through two policy vehicles in **formulating recommendations on science, innovation, higher education and mobility** for the Leaders convened at the Tirana Berlin Process Summit in October 2023. First, through the Thematic Working Group: Advancing Inclusive Regional Mobility and Catalysing Mobility-Driven Innovation and Knowledge Transfer in Western Balkans which was a part of the 2023 Tirana Civil Society and Think Tank Forum. Second, through the 7<sup>th</sup> Annual Conference of Stakeholders of the Science, Education, Research and Innovation Chapter of the Berlin Process.

The RCC completed the **Support Programme for the development of Digital Innovation Hubs (DIHs)** in the WB in 2023. The Support Programme emulated a widely successful "Cross-border/boundary pipeline development for Technology Transfer Offices in the Western Balkans" model implemented in 2022. The Programme's goal was twofold. First, to assist DIHs' collaborative efforts towards the preparation of joint project proposals for funding and capacity-building schemes offered by the EU. Most of the participating DIHs (or DIHs in the making) joined consortia created to bid for the EU funds in 2024. The second goal was to

enable regional networking among DIHs. The participants agreed the Programme was exceptionally useful, informative and practical. To encourage a multiplier model tested in previous years, the RCC honoured the region's request by introducing the **Follow-up Support Programme for the Development of DIHs in the WB** in early 2024.

The RCC also successfully continued the promotion of innovation culture in the region through **the regional Butterfly Innovation Award (BIA)**. For the second time, the RCC successfully organised the BIA which aims to encourage the region's creative individuals and organisations to develop innovative, scalable, and market-based solutions. By showcasing successful innovative achievements and embracing twin green and digital transformations, the BIA helps boost the region's economic development. Teams from all WB economies received awards for their innovative solutions in six categories ranging from green, industry to STEM and women to university and youth, at a ceremony co-organised with the Ministry of Foreign Affairs of Bulgaria, held in Sofia.

As part of the regional Network of Women in STEM, the RCC successfully implemented a **regional STEM role-models campaign #ChooseSTEMFuture** via social media. The campaign was designed to attract high-school girls and young women to participate in STEM education and careers. It featured successful women from all Western Balkan economies. The campaign was implemented within the RCC's wider efforts of supporting women's economic empowerment and reached over 7.2 million people in the Western Balkans. In addition to this, the RCC created **an interactive online platform that allows matchmaking** between mentors and mentees. The platform will support both the Network of Women in STEM and the Network of Women in Entrepreneurship.

The RCC published a **foresight study [Unleashing the Potential for Competitiveness: Trends in the Western Balkans](#)**". The study rests on the Strategic Foresight method and features trends that are expected to have implications on the region's competitiveness until 2035 (enabling environment, human capital, markets and the innovation ecosystem). It also outlines potential implications that these trends could have on future challenges and opportunities for inclusive growth in the region.

In the reporting period, RCC also joined forces with the United Nations Economic Commission for Europe (UNECE) to support the WB through the **UNECE Transformative Innovation Network (ETIN)**. The ETIN is a strategic platform and meeting place for peer learning, collaboration and exploration of applicable policies and practices. It creates value for its affiliated stakeholders in promoting innovative processes to increase competitiveness and accelerate sustainable transformation of societies. Through this framework, the RCC and UNECE co-organised two thematic workshops in Montenegro and Geneva. In addition to ETIN, the region could benefit from the introduction of a sub-regional Innovation Policy Outlook (IPO) for the Western Balkans.

## *A2.2. Women's Economic Empowerment and Regional Network of Women in STEM*

As part of the promotional initiative and efforts to strengthen the **Regional Network of Women in Entrepreneurship**, in the reporting period, RCC organised the third edition of the **Western Balkans Women Entrepreneurs of the Year** in March 2024 in Sarajevo. Following more than 250 nominations, the event recognised [six women entrepreneurs](#) from the region across the areas of green entrepreneurship, creative entrepreneurship, tourism, ICT, young entrepreneurs and a new category referring to the power of social media and communication in doing business: social star woman entrepreneur. Given the high number of nominations and the increased interest in the initiative, as well as to meet the objective of supporting as many women entrepreneurs in the region, especially young entrepreneurial enthusiast, the judging panel this year introduced a novelty by providing additional six Special Jury Awards. This special recognition was extended to women entrepreneurs from the region that work to reshape societal norms towards women in business, promote healthy lifestyles, promote Balkan cuisine, empower women, increase awareness on mental health issues and developed a family business.

To further support women economic empowerment, and in particular contributors to the Regional Networks of Women in Entrepreneurship and Women in STEM, RCC initiated the creation of an **interactive online platform to allow matchmaking between mentors and mentees** and will fulfil one of the recommendations of both Networks: need for mentorship, coaching and education. The platform's demo version has been consulted with both Networks during April 2024 and it will support both the Network of Women in STEM and the Regional Network of Women in Entrepreneurship.

Following a thorough research commissioned, RCC published a study on [Women Entrepreneurship in the Western Balkans: stocktaking on constrains and good practices](#), including a comprehensive list of economy-specific recommendations on next steps towards women entrepreneurship support, as well as recommendations for regional actions and support to facilitate easier integration of women entrepreneurs into regional and EU value chains. Following intense consultations with public institutions, civil society representatives and partner organisations in 2023, key recommendations highlighted the need to make use of regional platforms, such as the RCC-coordinated ones, to tackle challenges and address policy needs by strengthening stakeholders links under the objectives of the Common Regional Market, conduct sectorial research on key value chains where women empowerment could make a difference, develop programmes that include mentoring, coaching and better financing instruments for women entrepreneurs, support institutions in developing dedicated promotional programmes for women entrepreneurs, etc.

Additionally, to support regional dialogue and enhance coordination between policymakers and private sector, RCC brought together the Working Group on Industrial Development (WGID) and the Regional Network of Women in Entrepreneurship (RNWE) to discuss on the recommendations of the study as well as brainstorm based on other needs and challenges and

agree on joint next actions, medium- to long-term. The RNWE was considered as a useful platform to develop further regional dialogue on women economic empowerment, share best practices among the economies of the region and enhance networking at the regional level.

Last but not least, in order to support good practices in the region and connect the region's women entrepreneurs as much as possible, during the reporting period, RCC enhanced partnerships with various organisations and institutions. Thus, RCC joined the Women's Entrepreneurship Days 2023 in May 2023 in Sarajevo, which showcased a number of panels and workshops with topics varying from access to finance, to female leadership, human resources and skills, etc. and included business women networks from the Western Balkans, Greece, Türkiye, diaspora and regional and international partner organisations. In addition, RCC joined the Angel Investors Summit taking place in October 2023 in Sarajevo. The event showcased start-up pitches and good practices from the region, while highlighting the need for access to finance for entrepreneurs in the region and strengthening the network of angel investors as a viable source of alternative funding.

### *A2.3. Free Movement of People*

Over the last year, significant strides have been made in advancing the agenda of freedom of movement of people in the Western Balkans region. The foundation for enhanced mobility and professional recognition was laid with the successful signing of three mobility agreements in 2022 at the Berlin Process Summit. These agreements set the stage for further cooperation and collaboration among Western Balkan economies.

The **Agreement on Freedom of Movement with Identity Cards in the Western Balkans** was effectively ratified and the implementation started in **five Western Balkan economies**, with smooth execution reported so far. According to the data obtained by RCC, the number of **entries/exits** of citizens travelling with their ID cards **within Western Balkans** for the period 1 October 2023 - 31 March 2024 is approximately **13 million**. The Commission overseeing the implementation of the Agreement was constituted in July 2023 and formalised its operational framework with the approved Rules of Procedure. All Western Balkan economies are represented in the Commission, while the right to vote is reserved only to the economies in which the Agreement has entered into force.

A significant milestone was reached with the signing of the [Agreement on Recognition of Professional Qualifications for Nurses, Veterinary Surgeons, Midwives, and Pharmacists in the CEFTA context](#) at the Tirana Berlin Process Summit in October 2023. This landmark Agreement not only expanded the list of mutually recognised professions in the region to seven but also aligned with EU legislation, specifically EU Directive 2005/36/EC. By doing so, it aimed to facilitate workforce mobility and address evolving labour market dynamics and

demographic shifts in the Western Balkans. Thus far, **Albania and Montenegro notified** the depositary about the ratification of the Agreement.

Despite the progress made, certain agreements are still pending full implementation. Notably, the **Agreement on Recognition of Professional Qualifications for Doctors of Medicine, Dental Doctors, and Architects in the CEFTA context** awaits the final adoption of Terms of Reference by the CEFTA-RCC Joint Working Group. Overcoming administrative hurdles and ensuring alignment with regulatory frameworks remain crucial steps in moving forward with the implementation.

Efforts towards implementing the **Agreement on Recognition of Higher Education Qualifications** have already commenced. In July 2023, the Joint Commission was established and respective Rules of Procedure are in place. These initiatives represent tangible initial steps towards the full implementation of the Agreement and the promotion of academic mobility within the region. Though the JCHEQ already held three meetings, the implementation of the Agreement is currently in deadlock. At the latest meeting on 16 May 2024, the Joint Commission concluded that an agreement on the joint list of Higher Education Institutions (HEI) subject to the Agreement could not be reached due to differences on the submitted lists. The Joint Commission proposes this issue to be discussed at higher political level. Until finding a political solution of the bilateral issue, the implementation of the Agreement is suspended. Next steps include continuing to support the work of the Joint Commission and supporting implementation of the Agreement in line with the needs discussed and agreed upon by the Commission.

Another instrumental tool in the implementation of the **Agreement is the Regional Recognition Database (RRD)** which aims to facilitate the recognition of higher education qualifications. It has been recognised that three economies have their own online internal systems for recognition of qualifications and a model of merging their systems with RRD has been negotiated and agreed in November 2023 in Skopje. RCC has engaged a consultant to support the connection of the systems. However, to date, the RRD has been populated only with data from two economies. RCC continues to stand ready and support all economies with the implementation of the model.

In persisting with the endeavours to advance regional cooperation and foster educational development, the negotiations for the **Agreement on Access to Higher Education and Admission to Study in the Western Balkans** (working title) were officially launched in April 2024 by RCC as the facilitator and coordinator. The Agreement aims to streamline access to higher education across Western Balkan economies and promote academic mobility within the region. Continued collaboration and commitment from all stakeholders will be essential in attaining the Agreement's objectives and promoting academic excellence throughout the Western Balkans. After holding two rounds of negotiations in Tirana (4 April) and Brussels (15 May) it is expected that the forthcoming meeting on technical negotiations to take place on 20 and 21 June in Budva will finalise the technical draft text of the Agreement before its signing at the Berlin Process Summit in October 2024.

Efforts to align with **European Standards and Guidelines for Quality Assurance** have been actively pursued with RCC's assistance in cooperation with Education Reform Initiative of South Eastern Europe (ERI SEE). Collaborative meetings between quality assurance agencies, accreditation bodies, and the Agency on Science and Higher Education of Croatia (ASHE) have explored pathways for regional alignment with key priorities expected to be further realised in 2024.

Building on these efforts, a continuation of an agreement initiated at the margins of the **Quality Assurance Ministerial** in Skopje in September 2023, RCC and ERI SEE, in partnership with the Quality Assurance Agency Scotland (QAA) and the European Association for Quality Assurance in Higher Education (ENQA), jointly organised a **study visit for the WB QAA to QAA Scotland** in March 2024. The purpose of this visit was to furnish essential information to the WB QAA representatives and prepare them for the ENQA review process and future membership in ENQA.

### A3. Digital Integration and Implementation of the Digital Agenda for Western Balkans

Within the framework of RCC's digital portfolio from May 2023 until May 2024, regular meetings and intensive consultations with WB and EU telecommunications operators continued with the aim to ensure swift implementation of the roaming charges reduction between the EU and WB. In line with the [EU-WB Roaming Declaration](#) signed by 38 operators from the region and the EU at the EU-WB Summit in December 2022, the **first data roaming charges reductions started on 1 October 2023**. In that regard, the price of 1 GB of data in at least one product offered to the widest number of consumers by each signatory of the Declaration **is lower than 18 EUR as of 1 October 2023**<sup>3</sup>.

EU and WB operators used different ways to ensure full compliance with the Declaration and most of them introduced the reductions through the decrease of roaming package prices to be used in EU/WB. Three operators from three economies went even further and reduced regular price of mobile data in roaming in the EU, thus avoiding bill shocks for their customers (i.e. the customers can enjoy good prices while roaming in the EU without even buying a roaming package). Two of these three operators reduced the regular prices of 1 GB by more than 99%. At this moment, all WB operators as well as 75% of EU operators signatories of the Declaration already have data roaming prices in line with the price cap envisaged in the Declaration for the period 2026-2027, i.e. 14 EUR per 1 GB. Regional Cooperation Council is maintaining regular consultations with the signatories of the Declaration with the view to extend the roaming services covered by the Declaration (i.e. include voice and SMS) and consider additional

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<sup>3</sup> The price cap for 1GB agreed by the signatories of the EU-WB Roaming Declaration for 2026 is 14 EUR and 2028 is 9 EUR

reductions of the price caps agreed in May 2023. The initiative is open to other WB and EU telecommunications operators, hence in consultation with EC, Regional Cooperation Council is promoting widely the benefits of the Declaration through regular meetings with telecom operators' associations to encourage other EU operators to join.

The economies are working on the implementation of policy reforms in the telecom sector, agreed to be implemented in the **Roadmap for Lowering Roaming Charges between the EU and WB**. Regional Cooperation Council is monitoring the implementation of policy reforms in 2024, i.e. providing the overview of the state of play in telecom sector in the region. The latest report was discussed with WB institutions in December 2023 with the aim to define the next steps and required support to expedite implementation, while the next report will be prepared mid-2024. In order to foster the implementation of policy reforms related to broadband developments and benefit from the EU best practices, regional TAIEX workshop for representatives of WB institutions on the implementation of the very complex EU Broadband Cost Reduction Directive was organised in February 2024, based on the needs of the economies.

Structured dialogue between institutions from WB economies and telecom operators kick-started in June 2023 with the round table "Towards an enhanced connectivity in the Western Balkans" organised by the Regional Cooperation Council. The roundtable gathered around 50 representatives coming from WB and EU institutions, and telecommunications operators. It discussed various topics in the field of connectivity, including broadband and 5G developments, permit granting procedures in the region, etc. The event concluded that the challenges of the economies are very similar in this regard and that regular regional meetings of this kind are very important to be held.

In order to facilitate the discussions between **public and private sector** regarding the improvement of business environment in the telecom sector in the WB, **the Advisory and Coordination Group (ACG)** is established. In the reporting period, two meetings of the ACG were organised (September 2023 and January 2024) to discuss main challenges and priorities to improve business environment in telecom sector. Among other challenges, permit granting procedures in the region were considered as the biggest hurdle for deployment of telecommunications networks, hence regional actions in this regard will be proposed in the next period following best practices of EU MS.

Based on the methodology prepared and agreed upon by the members of the WB Multi-stakeholder Working Group on Digital Skills, **a survey of digital skills gaps and needs of the employees working in public administration** at central and local level in the WB economies was carried out. Taking into account that the survey was done online and was voluntary, the interest of employees at central and local level varied between the economies. For that reason, the assessment was prepared in mid-2023 for Albania and Serbia for both levels and for Bosnia and Herzegovina and North Macedonia for the central level only. Based on the results of the assessment, there are no major differences on the needs for training related to digital skills between central and local levels as well as between the economies. **The biggest gaps are**



**observed in the area of cybersecurity**, i.e. familiarity with the protocols on cybersecurity, protecting devices, protecting personal and data privacy and protecting health and well-being. Smaller gaps related to the competencies for collaborating and sharing through digital technologies as well as using advanced formatting functions have also been observed. Building up capacities of the employees in identified areas would contribute to a more capable administration and easier adaptation to new technologies.

Maintaining structured regional dialogue on **cybersecurity** has been among the main priorities of the Regional Cooperation Council work during the reporting period. Regional dialogue on cybersecurity is enabled through regular meetings of the CSIRTs, dedicated panel discussions within the context of Digital Summit and the regional conference on cybersecurity, initially introduced in 2018.

The RCC, in cooperation with the European Commission (EC), organised the **High-Level Cybersecurity Conference: Towards a Resilient Cyberspace in the Western Balkans** that was held in Brussels in June 2023. The conference gathered more than 130 participants, coming from WB ministries and agencies responsible for cybersecurity, EC, donors, international organisations, NGOs, private sector, and academia who exchanged views on the outstanding challenges and needs in the field of cybersecurity and explored how to best address them through a whole-of-government and whole-of-society approach. For the first time a high-level conference on cybersecurity was established with the aim to transform it as an annual gathering of ministers and high-level representatives from WB economies and beyond to chart the regional actions and priorities in the area of cybersecurity and in line with EU priorities and developments. The conference highlighted the needs for strengthened capacities on cybersecurity through formal and non-formal education, enhanced networking of stakeholders from the region and beyond to enable peer-to-peer learning and experience sharing, increased awareness of cyber threats in particular for children and elderly people, necessity to coordinate efforts and donor support based on WB economies' needs, etc.

Cybersecurity was one of the topics at the meeting of the Ministers of Internal Affairs of the Berlin Process, held in Tirana in September 2023, where through the Conclusions of the meeting the Ministers called for an ongoing high-level dialogue on cybersecurity and closer coordination at the regional level, as facilitated by the Regional Cooperation Council.

In addition, cybersecurity was recognised as a priority at the EU - WB Summit, held in Brussels in December 2023, where through the Summit Declaration, the EU reiterated the need to enhance collective cybersecurity in collaboration with the Western Balkans, including through coordinated operational and technical support, and involvement of the region in EU cybersecurity mechanisms. The EU-WB Summit Declaration also acknowledged the facilitating and coordinative role of the Regional Cooperation Council in maintaining a structured regional dialogue on cybersecurity.

In an effort to structure needs assessment and identification in the area of cybersecurity, in November 2023, the RCC, Integrative Internal Security Governance (IISG) and EC started consultations on **a new initiative for the region, integration of the cybersecurity features into the IISG database, which will additionally facilitate coordination of cybersecurity**



**activities at regional level.** The initiative aims to improve regional dialogue on cybersecurity by exchanging needs at the economy and regional levels through a non-public framework/platform, as well as enabling a user-friendly framework/platform for simplified and open donor coordination for cybersecurity projects/initiatives in the Western Balkans. Consultations with the WB economies on the matter were held in February and March 2024, where the initiative was well received by the economies.

Furthermore, in May 2024, the RCC supported the **Western Balkans Youth Cyber Camp** organised by the National Authority for Electronic Certification and Cyber Security of Albania, aiming to enhance the use of digital skills in the area of cybersecurity for youth and students aged 18 to 22, studying in the fields of cybersecurity, IT or ICT, or who have an interest in cybersecurity. The Youth Cyber Camp aimed to improve information sharing on cybersecurity, covering an overview of current cybersecurity landscape in the region, with a focus on engaging students in cybersecurity, enhancing their knowledge and practical Cyber Exercises, as well as engaging in real simulations using the Cyber Drill platform. 48 young people from all Western Balkan economies participated in the WBCC, accompanied by professors and experts from CSIRTs from WB economies.

In continuing our efforts to support young people from the Western Balkan region, the fourth edition of the RCC flagship initiative **Balkathon - Smarten Up for the Future** competition was organised in Sarajevo on 3 October 2023. Start-ups, entrepreneurs, students, digital innovation hubs, scientific parks, universities, and SMEs from all Western Balkan economies were invited to propose and develop innovative digital solutions as a response to the challenges of our everyday life. Almost 70 applicants competed in the areas of sustainable tourism, green economy, and entrepreneurship. Jury members awarded seven teams as winners of Balkathon 2023. Since the beginning of the competition, over 300 applications have been received. Out of these, 15 solutions were successfully developed and marketed, while 7 are under development. Preparations for the 5<sup>th</sup> regional competition began in March 2024, while the registration of applications opened on 21 May 2024.

The [6<sup>th</sup> Western Balkans Digital Summit](#) (WBDS) was held in Sarajevo on 4 and 5 October 2023 and concluded the first cycle of WBDS that started in 2018, during which each WB capital city hosted the WBDS. Following the practice of all previous WBDS, the RCC assisted closely the WBDS host to organise the event by facilitating the preparations of WBDS, formulating its conclusions, and organising and participating in various panels during the event. These panels covered topics such as cybersecurity, digital skills of public administration employees, and interoperability within the Western Balkan region. In December 2023, the RCC initiated consultations with EC, German Federal Ministries, German Eastern Business Association, WB economies and private sector on the organisation of a new cycle of WBDS. **Preparations for the 7<sup>th</sup> WBDS commenced** with the first WBDS Steering Committee meeting held in March 2024.

The RCC, in cooperation with the SIGMA/OECD Programme, Eastern Partnership Regional Fund for Public Administration Reforms (led by GIZ), and the Regional School of Public Administration (ReSPA), organised the **high-level exchange and learning week on data**

**protection in Brussels in September 2023.** High-level data protection officials from the Western Balkans and Eastern Partnership Region exchanged views on common challenges and approaches in this regard with the EU counterparts. The high-level exchange enabled identification of common needs regarding data protection, in particular those related to capacity building of respective institutions, established the network of data protection experts from WB and Eastern Partnership, deepen the understanding of respective EU rules and practices on the matter, etc. Following the positive feedback from the economies, in cooperation with the same partners, the RCC started preparations for the next round of the high-level exchange and learning week on data protection, which is planned to take place in September 2024.

A valuable tool for tracking progress of digital transformation in the region, stemming from Digital Summit Conclusions and Common Regional Market Action Plan, to support formulation of evidence-based policies in WB economies and enable comparison with the EU was published in May 2023. The first [Western Balkans Digital Economy and Society Index \(DESI\) 2022 Report](#), developed under the RCC umbrella, provides DESI calculation for 2021 and 2022. In April 2024, the **RCC started the preparations for the WB DESI 2024 Report** by organising a regional consultation meeting with the WB economies regarding the new EU approach on the matter and online platform/dashboard.

#### **A4. Sustainable Growth and Climate Change Resilience**

RCC invests significant efforts in continuing to implement aspects of the **Green Agenda for the Western Balkans (GAWB)** that are under its remit. During the EU-Western Balkans Summit held in December 2023 in Brussels, the EU reiterated its dedication to assisting the region in implementing the Green Agenda and meeting climate targets set in various agreements. A **commitment of EUR 1 billion in grants**, with 90% already distributed, was made to stabilise energy prices and propel the energy transition. Additional EUR 500 million in grants through the Western Balkans Investment Framework (WBIF) aims to bolster renewable energy and enhance energy infrastructure.

In the reporting period, the 2023 Berlin Process Summit discussions emphasized environmental awareness, focusing on the Green Agenda for the Western Balkans. The endorsed **Joint Declaration of Intent between the Leaders of the Western Balkans and Germany** stressed the need for green transition and private sector investment in energy efficiency, renewables, and sustainable development. Participants highlighted the importance of regional cooperation amidst geopolitical uncertainty and conflicts in Europe. Additionally, they recognised the Regional Cooperation Council's role in coordinating the Green Agenda's implementation and urged support for local governments to align with EU standards.

The **progress in implementing GAWB varies throughout the WB region**, due to differing stages of EU accession and approaches to green transitions among economies, as shown in the [Report on the Implementation of the GAWB](#) for 2022, published by RCC mid-2023. The Report offers a comprehensive overview of the Green Agenda's implementation status,

shedding light on specific targets and goals across its seven thematic Roadmaps: Climate Action, Energy, Sustainable Transport, Circular Economy, Depollution, Sustainable Agriculture, and Protection of Nature and Biodiversity.

Key findings include the following: Western Balkan economies aim to meet EU Climate Law standards by 2025, but face **challenges in implementing the Emission Trading Scheme (ETS) and addressing socioeconomic impacts, just transition, and energy poverty**. Limited alternative fuel infrastructure, underdeveloped intelligent transport systems, and railway market regulations hinder progress, alongside minimal renewable energy adoption in transport and climate resilience in infrastructure. Waste management, air quality, and water management require alignment with EU standards, while integrated soil protection and food safety policies are in development. Systematic integration of restoration planning into conservation strategies and legislation is lacking. The region is exploring Nature-Based Solutions (NbS) to enhance ecosystem and community resilience.

During the reporting period, a new technical framework has transformed the RWG on Environment into the **Regional Working Group on the Green Agenda for the Western Balkans (RWG GAWB)**, outlining its operational framework to fulfil its mandate as per the GAWB Action Plan. Effective regional coordination has emerged as important for the successful implementation of the Green Agenda for the Western Balkans Action Plan. This coordination is facilitated by the RCC, through the inter-governmental platform of the RWG GAWB, along with horizontal collaboration with donors, businesses, international organisations, regional projects, local self-governments (LSGs), and non-governmental organisations (NGOs). Comprised of civil servants representing ministries in charge of climate change and environment from Western Balkan economies, the RWG GAWB is tasked with guiding the implementation of the seven components of the Sofia Declaration. It leads technical discussions and lays the groundwork for the **Annual GAWB Ministerial meeting**, as well as the crucial deliverables associated with the GAWB within the Berlin Process.

Within this framework, several significant deliverables led by the RCC were achieved, notably the endorsement of the [Regional Joint Statement on Preventing Plastic Pollution, including Marine Litter](#) by Western Balkans Leaders at the Tirana Berlin Process Summit in 2023. This important regional document reflects the commitment of the region to protect biodiversity and water ecosystems by addressing plastic pollution including marine litter, based on best circular economy practices to prevent, reduce, reuse, and recycle.

At the RWG GAWB meeting in November 2023, facilitated by the RCC, the Western Balkan economies delved into additional concrete measures regarding climate adaptation. They also discussed the **state of implementation** of the Regional Joint Statement on Preventing Plastic Pollution, including Marine Litter. Furthermore, they addressed matters related to monitoring and reporting under the GAWB Action Plan, its potential revision, and identified priorities for 2024. The meeting expanded to include the Working Group on Industrial Development (WGID) to enhance collaboration between the CRM Regional Industrial Area and the GAWB Circular Economy pillar in implementing the GAWB Action Plan regionally.

In October 2023 in Tirana, RCC organised the **first Local Self-government (LSG) Forum**, which provided a platform for structured regional dialogue among LSGs. The LSG Forum focused on discussing the implementation of the GAWB Action Plan at the local level and exchanging insights on green and digital transitions. The event led to the [conclusions](#) reached by 13 NALAS Associations reaffirming local-level commitments to implement environmental and sustainable development policies and facilitate the green transition. These conclusions serve as a foundational framework for subsequent meetings to be organised in the course of implementing the Green Agenda for the Western Balkans Action Plan.

In February 2024, the RCC organised the **Western Balkans Coordination Meeting** in Pristina with an in-kind support of the EU4Green and WBCIF. This gathering explored regional needs, addressed funding gaps, enhanced coordination and fostered knowledge sharing among donors, businesses, industrial sector and WB economies to propel the Western Balkans towards climate neutrality by 2050 through CE transition in line with CE Roadmap, CRM, and the GAWB Action Plan. The February 2024 meeting specifically focused on the Circular Economy pillar of the GAWB, addressing challenges and opportunities in implementing circular economy principles. It emphasised the importance of enhanced coordination among donors, businesses, industrial sector, and Western Balkan economies to foster sustainable development. The WB Coordination Meeting delivered three main outputs:

1. Enhanced and Harmonised Donor Support Framework,
2. Improved Regional Knowledge Sharing on CE Transition, and
3. Strengthened and Formalised Regional Cooperation.

In December 2023, the RCC, in collaboration with the International Union for Conservation of Nature (IUCN), convened the 10<sup>th</sup> regular meeting of the Biodiversity Task Force of South East Europe (BDTF SEE). The meeting centred on the thorough review of the Terms of Reference (ToR) and Rules of Procedure for the **Biodiversity Task Force (BDTF SEE)** as well as on the strategic direction for the development of the Western Balkans Biodiversity Report and Biodiversity Strategy. During this reporting period, the RCC has worked closely with the **Biodiversity Task Force**, resulting in the development of an **Analytical Paper** providing strategic guidance for the development of the Western Balkans Biodiversity Strategy and Action Plan. This strategy aligns with the EU 2030 Biodiversity Strategy, EU Green Deal, and the Kunming-Montreal Global Biodiversity Framework.

The RCC's **priorities until the end of 2024 in the domain of environment and green agenda** encompass several key initiatives. These include, among others, finalising the 2023 Report on the Implementation of the GAWB Action Plan, initiating revisions to the GAWB Action Plan, preparing the WB Climate Adaptation Roadmap and organising the first high-level ministerial meeting on the Green Agenda. The latter is of particular significance.

The **2023 Annual Report on the Implementation of the GAWB Action Plan** will offer a comprehensive overview of progress across all seven components outlined in the Sofia Declaration. It will include a narrative explanation of key parameters and propose corrective

measures where necessary. This report will be presented to the Ministers for their endorsement, providing guidance for future efforts and potential corrective actions in the upcoming year.

Furthermore, in addition to ongoing operational-level dialogues, **Annual Ministerial Meeting on the Green Agenda** will assess progress made in the preceding year using monitoring and reporting mechanisms established by the RCC and regional partners. Based on these assessments and identified priorities, ministerial meeting will provide implementation guidelines for the upcoming year through joint statement.

The anticipated revision of the GAWB Action Plan, spearheaded by the RCC, will facilitate a comprehensive stock-taking analysis, progress assessment towards 2030 commitments, necessary change proposals, and alignment with the overarching Growth Plan for energy market integration and climate resilience. One specific task outlined in the GAWB Action Plan is the preparation of the **Western Balkans Climate Adaptation Roadmap**. This roadmap will offer a long-term vision for establishing a climate-resilient region capable of adapting to the inevitable impacts of climate change by 2050. The Roadmap will serve as a comprehensive tool to address shared needs, delineate collaborative activities aimed at enhancing regional climate resilience, and identify potential financial resources. It will provide actionable recommendations for advancing regional efforts in mitigating the transboundary impacts of climate change. The WB Climate Adaptation Roadmap will delineate additional measures aimed at enhancing climate resilience in the region, aligning with guidelines from the IPCC and UNFCCC.

## A5. Projects

### *A5.1. Western Balkans Youth Lab Project (WBYL)<sup>4</sup>*

Reporting period coincided with the end of phase 1 and start of phase 2 of the [Western Balkans Youth Lab \(WBYL\)](#), which continued to ensure safe space for youth and policy-makers to co-create policies, which are to benefit young people of the region. Since First Youth Policy Lab on Youth Unemployment proved successful in 2022, the **Second Youth Lab on Mental Health** lasted for one year and a half and finished in June 2023, with organisation of the Final Regional Conference in Belgrade. The process resulted in 1) Youth Component of Mental Health Action Plan 2023-2026 and Assessment of Youth Mental Health Services; 2) Framework for development and implementation of promotional and preventive activities in the area of Mental Health; 3) Administrative Instruction Amendment on Mental Health; 4) Programme for Youth Mental Health and Guidelines for Youth Workers; 5) Youth Mental Health Strategy 2023-2025; 6) Coordination Body for Youth Mental Health; and 7) several campaigns on mental health in the region.

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<sup>4</sup> This project is funded by the European Union, grant number IPA/2019/409-790



Additionally, the Project organised the Third Informal Donor Coordination Meeting in December 2023. The event gathered representatives of youth organisations, line ministries and donors supporting youth in the region. Building on the successes of the initial two meetings and incorporating recent insights on youth needs in the region, the Third Informal Donor Coordination Meeting aimed to sustain momentum by shaping the trajectory of the Informal Donor Coordination Mechanism on the Youth Agenda through ensuring sustainability, fostering shared ownership, and leveraging the potential of the Donor Assistance platform. As to ensure sustainability of the Mechanism, involved stakeholders expressed their will and commitment to take over the role of coordinator of the Mechanism.

In December 2023, RCC's WB Youth Lab project co-organised the second edition of the [EU Balkan Youth Forum \(EUBYF\)](#), organised by the Regional Cooperation Council in cooperation and with funding of the Italian Ministry of Foreign Affairs and International Cooperation. The Forum was organised in Novi Sad gathering more than 30 young people from Western Balkans and European Union. Participants engaged in a comprehensive debate and exploration of the region's prospects within European integration, focusing on three main areas: regional integration, environmental protection, and human capital development.

During this period, WBYL **prepared six economy reports and one comparative report on [Mapping of Youth Policies and Identification of Existing Support and Gaps in Financing of Youth Actions in the Western Balkans](#)**, published in January 2024. The reports comprehensively review the existing framework for youth policy, programmes, and mechanisms for youth participation in region. They also highlight support and financial gaps in youth initiatives. The reports show that WB economies have made progress in the implementation of participatory mechanisms that ensure youth voices in policymaking processes. However, although most economies approved and implemented an economy-wide strategy on youth, actual meaningful participation varies across the region. Further to this, comparing to 2020, there is notable progress in consolidating the legal and policy frameworks. All WB economies have enacted youth laws to boost social standing of youth, promote youth organisations and facilitate youth participation.

In order to provide space for young people and those working with youth from the WB to discuss youth-related issues from different perspectives, WB Youth Lab supported participation of 20 young people from the region at [Bridging the Gap High-Level Dialogue](#) which was held in Parliament of Albania in February 2024. Bridging the Gap initiative promotes dialogue between civil society and elected representatives from the region and from the European Union. The event was co-organised by the European Parliament's Mediation and Dialogue Support Unit and the European Commission's DG NEAR together with the WB Youth Lab project.

## A5.2. Integrative Internal Security Governance (IISG)<sup>5</sup>

Integrative Internal Security Governance (IISG) is a regional mechanism representing strategic EU-Western Balkans security partnership and strong regional ownership, with all Ministries of Interior/Security from the region being stakeholders in this process. The aim of IISG is to contribute to regional security through its three pillars: **Counterterrorism (WBCTi), Counter-Serious Crime (WBCSCi), and Border Security (WBBSi)**.

As the operational hand of the IISG process, within the reporting period, the IISG Secretariat continued to provide support to the development of products and strengthening several processes as agreed amongst the regional partners under the IISG Terms of Reference, namely:

- To map the security needs in the WB region in all three pillars – development of Biennial Needs Mapping Report;
- To map responses to security needs in the WB region in all three pillars – development of Annual Response Mapping Report;
- To map current projects, activities, and initiatives (*actions*) implemented by IISG members from a regional perspective – development of the **IISG Database**, which is only available to members of the IISG process; and
- To analyse whether needs are adequately addressed in order to prevent duplication and gaps in responses, and to propose and facilitate potential synergies.

In this respect, in the period May 2023 – May 2024, the following was implemented:

The 7<sup>th</sup> IISG Board meeting was held in December 2023. As the highest decision-making body, the Board adopted products such as the **first Annual Response Mapping Report on three pillars for Year 1 (i.e. 2021)**. Methodology was approved at the previous Board meeting and followed the needs mapping progress made by partners. More than 50% of the needs from the list were reported in all three pillars as completed or in process. The reports consist of information gathered by partners, obtained through desk review done by the Secretariat, consultations in each capital to check individually the reported need status as completed or in process, and finally from the regional working group.

**In the second Annual Response Mapping Report on three pillars for Year 2 (i.e. 2022) the second year** was reported as “cumulative reporting” by having included all responses versus the needs listed in the needs mapping report. The process followed the same methodology and steps as for the first year. In this report, more than 75% of the needs were reported as completed through the response mapping process. Reports were sent to all WB partners one month prior to the Board meeting to allow them to have a full review, even though those reports were

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<sup>5</sup> This project is funded by the European Union, grant number IPA 2020/414-918

cleared during the consultations at economy-level thematic meetings as well as during the regional meetings in all three pillars.

The IISG Database is reported as completed in the **Analytical Report on the IISG Database**. Currently, there are 84 ongoing projects reported in the database. IISG Secretariat analysed the projects individually and referred them to the database following the filters of needs per each partner to allow stakeholders to grasp the project dynamics versus needs listed by beneficiaries. The next year's agenda is foreseen to conduct deeper analysis of the database to be able to reflect on possible gaps and duplications. It is important to mention that the Secretariat plans to organise stakeholder coordination meetings in each WB capital annually in order to familiarise them with database information and make full use of it. The IISG Secretariat reported that database will be updated on quarterly basis by adding new projects.

The Secretariat reported all its activities to the Board, in the **Annual Report for 2022**, covering the time from the 6<sup>th</sup> Board meeting (June 2022) until the 7<sup>th</sup> Board meeting (December 2023). The annual activity report was prepared and send earlier to all members, covering the year 2022 as scheduled.

The **Annual Plan for 2024** adopted at the Board meeting aims to:

- Complete needs mapping reporting for second edition (as per ToR);
- Conclude the third report on the responses;
- Complete database analysis.

As part of the next year's plan, IISG Secretariat reported to include the regional network of National Coordinators on CT/P&CVE which is currently supported by GIZ and supervised by Sarajevo-based Regional CT Advisor from EU. As part of the discussion on the next year's planning, IISG Secretariat reported **concerns on cyber-security and the need to better address the cooperation in this area**.

Activities planned to be implemented in the **next period** include:

- Second Biennial Needs Mapping Report;
- Third Annual Response Mapping Report;
- Updating the IISG Database and analysing support;
- Revising the methodology on becoming a member;
- Developing Rules of Procedures for the overall work of the IISG;
- Developing Methodology for the work of the Support Group.



### *A5.3. Employment and Social Affairs Platform (ESAP 2)*

The Employment and Social Affairs Platform (ESAP 2) project has officially ended on 31 December 2023. Simultaneously to its last activities, the RCC worked with European Commission (EC) Directorate General for Employment, Social Affairs and Inclusion (DG EMPL) on preparations of the **application for the third phase of the project, i.e. ESAP 3**.

The final ESAP 2 project activities that fall in the reporting period were undertaken with the partners from the **Western Balkan Network Tackling Undeclared Work**, and pertained to distribution of final deliverables, obtaining partners' feedback and approval. These deliverables include reports on two thematic regional workshops on under-declared work and on platform work, in Tirana, and Nicosia, held in September and October 2023, respectively. The reports identify individual economy practices and challenges in tackling both under-declared and platform work and offer potential improvements in the performance of enforcement authorities by replicating good practices from the peers in region and Europe. Additionally, reports from Mutual Assistance Projects (MAPs) initial visits and their follow-ups were shared with the partners, approved by them and published in the online Members' Corner. Moreover, ESAP 2 Leading Expert on Undeclared Work has developed an interactive tool for enforcement authorities from the region involved in the Network. The tool is aimed at assisting Labour Inspectors and Tax Authorities in their day-to-day work to identify good practices from both European peer Network and the region, and explore modalities on how to enhance their own work based on these.

In November 2023, ESAP 2 published regional report on practices with classification and recording of Labour Market Policies (LMPs) [Aligning Western Balkan Labour Market Policy Databases with the EU Guidelines](#) containing roadmaps on how to align these processes with the EU methodology and Eurostat reporting criteria. The regional overview finds that the most significant gap between EU guidelines and current LMP classification practices in all economies of the Western Balkans is present in mixed interventions. In plastic terms, it means that by current practices in the region a series of labour market interventions is classified as active labour market measures such as client services, job creation, employment incentives, unemployment assistance, etc. making it difficult to track public spending and effectiveness of individual interventions. The Eurostat methodology classifies labour market interventions into precisely defined classes (i.e. services, direct job creation, training, start-up incentives, etc.), clearly defining their scope. The report greatly benefited from inputs and insights of Public Employment Services (PES) from the region, and it helped them compare their practices with those of other PESs from the region. In the reporting period, there were two regional workshops organised on the topic of alignment of LMP databases with the Eurostat guidelines. Both workshops aimed at identifying challenges that PES offices in the region face in their alignment efforts but also at exploring available modalities of gradual adjustment of the existing databases to reflect better classification and more quality, comparable data. On top of that, in December 2023 ESAP 2 organised a two-day **study visit for representatives of PESs from all Western Balkan economies to Employment Service of Slovenia (ESS)**. ESS

hosts presented their system and approach to classification and recording of LMPs, decision-making based on monitoring of performance and evaluation of the policies and measures, IT solutions, etc. As the result of the Study Visit, ESS and ESAP 2 project sent a letter of recommendation to the Chair of the European PES Network to involve PESs from the region in its work. The letter was positively assessed and joint activities of European and Western Balkans' PESs will be envisaged in line with the provisions of the EU Growth Plan. The other regular activities in this final stage of the project included regular update of [Observatory on employment in the Western Balkans](#) database as well as of [Social Scoreboard database](#) presenting data on region's performance regarding implementation of the European Pillar of Social Rights (EPSR).

## B. Political Cooperation, Good Governance and Security

### B1. Political Cooperation

Between May 2023 and May 2024, within the political scope of work, the RCC concentrated on its statutory duties. During this period, the RCC supported the **Podgorica Chairmanship-in-Office (C-i-O)** in all its initiatives and closely collaborated with the current **Skopje C-i-O** within the Troika framework. Under the Podgorica C-i-O, three meetings of the **SEECP Political Directors** in May and June 2023 focused on drafting the SEECP Podgorica Summit Declaration, ahead of the SEECP Summit.

In early June 2023, **two ministerial meetings**—SEECP Ministers of Foreign Affairs and SEECP Ministers of European Affairs—were also convened under the Podgorica C-i-O. These meetings discussed the current state and future of regional cooperation in South East Europe. At the meetings, the Draft SEECP Summit Declaration was approved, and the Annual Report of the RCC's Secretary General was endorsed. The **SEECP Summit** took place on 27 June 2023 in Podgorica, where the SEECP Podgorica Summit Declaration - praising the work of Regional Cooperation Council among other things - was adopted, and RCC's Annual Report for 2022-2023 received approval. The Summit Participants affirmed their strong commitment to regional cooperation and praised Regional Cooperation Council "*as a focal point for streamlining the endeavours of different regional cooperation platforms*".

In July 2023, as part of the Podgorica SEECP Chairmanship activities, the city of Kolašin – during the Gavro Vuković Summer School of Diplomacy - was a host to the **SEECP Junior Diplomats Forum (JDF)**, a **flagship activity under SEECP umbrella**, that was co-organised by RCC, UNDP and the German Development Cooperation (GIZ).

On 1 July 2023, **Skopje assumed the Chairpersonship-in-Office** of the SEECP from Podgorica, adopting the theme Bridging Divides, Building Trust. In collaboration with the

Skopje C-i-O, the RCC co-organised an annual working breakfast for **SEECP Ministers of Foreign Affairs in New York** during the UN General Assembly's High-Level Week in September 2023. Here, discussions centred on SEECP's role as a regional organisation amidst the challenging geopolitical climate marked by Russia's conflict in Ukraine and growing enthusiasm for EU enlargement.

**SEECP Ministers of European Affairs** meet in Skopje on 27 March 2024 where the participants endorsed Joint Statement on Enhanced Regional Cooperation, Trust-Building, and Accelerated EU Integration. Also, SEECP Meeting of **Ministers of Interior/Internal Affairs/Citizen Protection/Security** was held on 03 April 2024 at which a Joint Statement from the Ministerial Meeting of the South East European Cooperation Process on the enhancement of Security Cooperation was adopted.

In the first half of the Skopje SEECP Chairpersonship-in-Office **two events** were organized – Western Balkans Ministerial Conference Quality and Quality Assurance in Higher Education – Trends and Developments in the EU and the Western Balkans, hosted by the Ministry of Education and Science, and the International Forum for Sustainable Entrepreneurship in Creative Industries, hosted by the Ministry of Culture and UMPAKI.

Based on the RCC's statutory provisions, Skopje C-i-O opened a **new call for the selection and appointment of the Secretary General of RCC** in March 2024. C-i-O of Skopje considered that it will open a possibility for a new push in the process of selection of SG of RCC.

Throughout this reporting period under Skopje's C-i-O, **five meetings of the SEECP Political Directors were conducted**. The RCC is committed to supporting Skopje Chairpersonship-in-Office and SEECP Troika in their ongoing and upcoming activities.

## B2. SEE2030 Strategy

The **SEE2030 Strategy implementation**, since its adoption, was predominantly devoted to horizontal actions. In the course of the previous period, the SEE2030 governance structures and networks were created and their rules of procedure adopted. Furthermore, the main implementation cycles of the Strategy, namely monitoring, programming and reporting, were launched. Those cycles, except (quantitative) monitoring, have been functioning without major delays or interruptions. On the other hand, several constraints and bottlenecks confronted in the implementation of these cycles require a thorough review to assess their effectiveness and impact. Given no major breakthrough happened in the pending constraints and due to the unavailability of sufficient budget for the implementation of these cycles, their effectiveness and impact are significantly limited, and their vertical penetration remained at the surface.

On several occasions, RCC emphasized that the activities carried out by the RCC mostly focused on the horizontal level to kick-start the SEE2030 in the first year. The political level ownership of SEE2030, which is fully a SEECF-owned process - as it was initiated by the SEECF Chairpersonship-in-Office of 2019 and adopted by SEECF in 2021- lies with the SEECF Participants.

The whole implementation of SEE2030 is based on a bottom-up approach. In its third year of implementation, which the SEE2030 Strategy entered into, the Strategy imperatively foresees a **regular updating exercise** to ensure the relevance of its priorities with the current challenges of the SEE region. Therefore, in March 2024, RCC's Secretary General launched the updating procedure of SEE2030 through her communication to SEE2030 National Coordinators. All SEE economies were invited to launch internal communication with their relevant government institutions on SEE2030 and organise the consultation meeting with RCC. In the framework of the updating exercise, the RCC will also hold consultations with other public and private sector stakeholders in the SEE region, from SEE economies' parliaments to youth organisations to academia and think-tanks. As the last cycle of consultation, RCC will meet with the relevant international and regional organisations once all feedback from SEE economies is collected and comprised.

Despite the RCC's stringent commitment to the conceptual principles of SEE2030 as adopted by the Board, any tangible success could not be reached. Factually, SEE2030 has remained at the horizontal level and its penetration to the level of SEE economies is almost non-existent. Its localisation could not even start. The international and bilateral donors' attention to SEE2030 has been extremely weak.

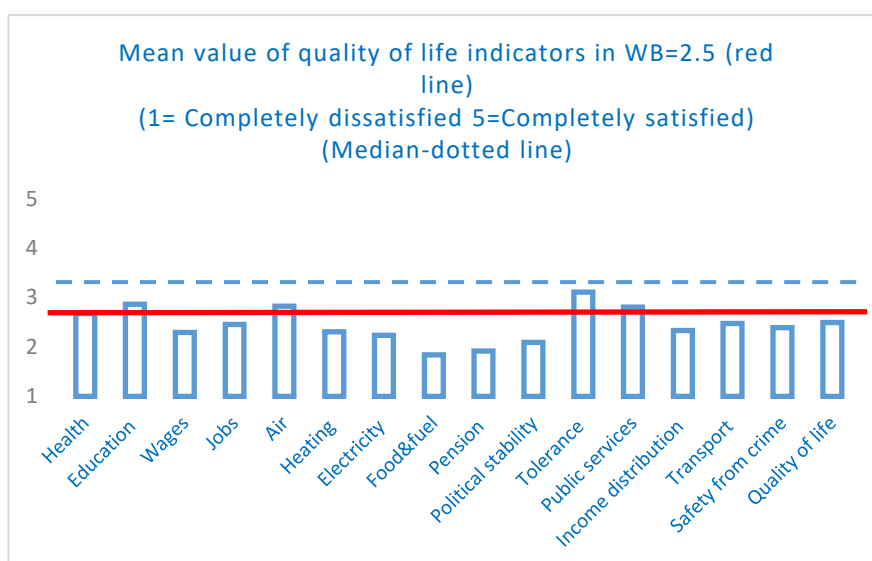
The latest **Annual Implementation Report (AIR)**, adopted by the Monitoring Committee and endorsed at the SEECF Summit in June 2023, hinted at what types of adjustment RCC considers necessary. Nevertheless, the success of those adjustments whatever they be needs imperatively to rely on the political level visibility of SEE2030. **Initiating flagship projects** is therefore deemed the most efficient way to make the political-level visibility of SEE2030 content strong. The AIR adopted by the Monitoring Committee suggests devoting the upcoming implementation period **to advance SEE participants' commitment to a higher political level**. The second AIR also strongly emphasizes the **importance of aid effectiveness** and increasing the SDGs responsiveness of Official Development Assistance (ODA).

The third recommendation refers to the **RCC-SEECF-SEECF Parliamentary Assembly (SEECF PA) coordination**. Active lead to be taken by the SEECF PA to promote the roles of parliaments in the implementation of SEE2030, SDGs, and Agenda 2030, as stipulated by the conclusions of their latest Plenary Session in Budva, will be another key component of the aid effectiveness related efforts of SEE2030. In this regard, **inviting the representatives of the rotating SEECF PA Chairpersonship** to the SEE2030 Monitoring Committee meeting has been started as an initial step to strengthen the interlocution between SEECF PA and the SEE2030 implementation. The rotating chairpersonships of SEECF PA and the Chairs of General Committee on Justice, Home Affairs and Security, and of General Committee on

Social Development, Education, Research and Science invited RCC SEE2030 Coordinator to inform the SEECP parliamentarians on the progress in the implementation of SEE2030.

**Human security and resilience** in South East Europe appear as one of the upcoming main priorities following the wave of deadly natural disasters in the region before or during the reporting period, and the increase in traditional and non-traditional security threats causing feelings of insecurity for people. According to the latest RCC’s SecuriMeter, 44% of the respondents do not consider the Western Balkans as a secure region to live in. The same survey also reveals that 73% of the respondents consider organised crime as the main factor of insecurity. Ethnic-based armed conflict (50%) and radical ethnic-based discrimination (32%) are other two leading factors, after organised crime, the individuals in Western Balkans deem among the top four factors behind their feeling of insecurity.

Other **human security factors directly related to the standards of living** are also important points of concern according to the individual level of data collected by RCC’s SecuriMeter. As reported at the 5<sup>th</sup> Monitoring Committee meeting of SEE2030 held in Athens on 28 November 2023, the



RCC’s regular survey on security situation in Western Balkans, SecuriMeter, already provides significant insights into the people’s perception over several dimensions of human security as the survey involves more than 60 different indicators ranging from general security perceptions to several quality of life determinants. For the moment, the RCC’s SecuriMeter involves only the Western Balkan economies of the South East Europe. At the fifth Monitoring Committee meeting, **RCC recommended an extended SecuriMeter** involving all SEE economies that would provide a full information source on the SEE peoples’ perceptions of human security, the priority which will be incorporated into the - to be updated - SEE2030.

After the 5<sup>th</sup> Monitoring Committee meeting, RCC co-organised with TEPAV (The Economic Policy Research Foundation of Türkiye) a **regional panel on human security and resilience** in South East Europe in Ankara in December 2023. The panel on human security and resilience was the first gathering of SEE2030 think-tank dialogue mechanism, called T4SEE, the creation of which was adopted at the fourth Monitoring Committee meeting in Podgorica in June 2023. The T4SEE panel on human security and resilience was opened by Ankara’s Deputy Foreign Minister, who announced in his speech **Ankara’s voluntary additional financial**

**contribution of 40,000 EUR to SEE2030.** The official confirmation of Ankara's additional contribution earmarked to the implementation of SEE2030 was then conveyed to RCC and other SEE2030 National Coordinators in December 2023.

For the sake of being responsive to the needs stated by the SEE economies related to the regional cooperation on SDGs at the previous Monitoring Committee meetings, the second AIR adopted by the SEE2030 Monitoring Committee recommends focusing on regional networking and peer-learning meetings between SEE economies. Considering this recommendation, upon the initiative of Athens, **RCC and Athens organised the first peer-learning meeting of SEE participants** to exchange their experiences in the preparation of Voluntary Reviews on 19 April 2024. At the meeting, it was announced that **Sarajevo will also make an additional financial contribution to the SEE2030 Strategy on a voluntary basis by 10,000 EUR** this year and more for the following years.

As mentioned on several occasions, RCC had to delay significantly the **quantitative monitoring of SEE2030** due to its limited human resources and financial capacity so far allocated for the Strategy in the last two years. The majority of RCC's available resources was devoted to facilitate establishing the SEE2030 governance structures and steering the Strategy horizontally. Regarding the adopted recommendations of the second AIR and the **importance of monitoring** in the overall steering of the Strategy, RCC readjusted its resource allocation in a way to accelerate and strengthen the monitoring cycle. The backbone of that revitalised SEE2030 monitoring is **developing an Inclusive Growth Index (IGI) for SEE** based on available data and in line with European standards. RCC has already contracted technical assistance to prepare a proposal on IGI. The technical preparations of SEE IGI were completed under the auspices of SEE Statistical Network (SSN).

The final technical report of SEE IGI and its findings together with the methodology were submitted to the political level approval of SEE economies. According to the technical level preliminary outputs of SEE IGI, the RCC's definition of inclusive growth is sustainable economic growth that reduces poverty and inequality, empowers women, improves social inclusion, and reduces depopulation through enhancing the quality of life for all. SEE IGI foresees **benchmarking the SEE region with the remaining 22 Member States of the EU in three pillars of SEE2030** (prosperity, people, and peace and partnerships) disaggregated into eight components (i.e. education, health, standards of living, productive employment, natural resources, quality of institutions, and stability). Once the political level adopts SEE IGI, the index will become an integral part of SEE2030 quantitative monitoring, and its policy reporting will be submitted to the governance structures of SEE2030 and SEECF.

Upon the recommendation of the 5<sup>th</sup> Monitoring Committee, RCC gives more importance to the **international visibility of SEE2030**. In this context, RCC organised a side event on human security and resilience in the SEE region on the margins of UNECE's regional forum on sustainable development on 12 March 2024. At the side event, RCC, the representative of UNPFA and Bucharest delivered a presentation. In addition, a representative of youth

organisations in the region was invited to give the perspective of young people on human security conditions in the region.

### B3. Parliamentary Cooperation

In order to guarantee participation of region's legislative bodies in regional cooperation matters, the RCC supports parliamentary forums. In this context, the RCC in cooperation with the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC), Parliamentary Forum on Small Arms and Light Weapons (PFSALW), and Parliament of Albania organised the **Regional High Level Meeting** “Enhancing parliamentary awareness and action for more peaceful and sustainably developed societies - implementation of the Roadmap for a sustainable solution to the illegal possession, misuse and trafficking of Small Arms and Light Weapons (SALW) and their ammunition in the Western Balkans”. The meeting held in Tirana in June 2023 gathered SALW control experts and parliamentary representatives from the region, with a view to increase parliamentary commitment, understanding, and action on Small and Light Weapons control.

The **Parliamentary Conference** on the role of the Parliaments in the Berlin Process was held in Tirana in October 2023, in the framework of the Albanian chairmanship of the Berlin Process and with the support of the RCC. The Conference that brought together parliamentarians from all Western Balkan economies commended the key role of the Regional Cooperation Council in facilitating the implementation of the Common Regional Market and the Green Agenda for the Western Balkans, and for its efforts in supporting and facilitating a **stronger role of the Parliaments in the Berlin Process** and other regional integration agendas. Also, the Conference invited RCC Secretariat to continue its support also through effective communication with the Parliaments of the region on the progress related to regional integration agenda.

In the reporting period, the RCC supported the **Conference of the Parliamentary Committees on European Integration/Affairs of the Countries Participating in the Stabilisation and Association Process in South East Europe (COSAP)**, held in Podgorica on 12-14 May under the Chairmanship of Montenegro. The 19<sup>th</sup> COSAP meeting highlighted the importance of regional cooperation also in the context of favourable political moment for reviving the European integration process of the Western Balkans.

Moreover, the role of RCC in supporting the parliaments of the region was also recognised in the Joint Statement of the Leaders’ Summit One Region, Common Vision held in Kotor, Montenegro on 15 and 16 May 2024, which invited the RCC and other regional stakeholders to continue the **support and facilitate involvement of Parliaments in the Berlin Process** and other regional integration agendas.



## B4. Good Governance

In the reporting period, RCC facilitated ongoing **regional dialogue and institutional cooperation in justice** as part of the implementation of Good Governance and Rule of Law. This includes regular activities of the Western Balkans Working Group on Justice (WB WGJ), South East Europe Judicial Training Institutes (SEE JTI) Network, and South East Europe Association of Mediators (SEE AM) Network. These RCC-led networks, unique in the region, foster mutual trust among judiciaries, contributing to the development of a Western Balkans justice area.

During the reporting period, the Regional Cooperation Council also organised the 16<sup>th</sup> meeting of the **Western Balkans Working Group on Justice (WB WGJ)** in September 2023 in Podgorica. The 16<sup>th</sup> meeting of the WGJ focused on the legislative reforms of mutual legal assistance in civil and commercial matters and the role of digitalisation of judiciary in facilitating cross-border/boundary judicial cooperation in the Western Balkans. Members of the WGJ and invited experts discussed and assessed the current progress and challenges in both these fields in the context of economic development of the region but also in the context of EU accession and modernisation of justice systems of the Western Balkans.

Also, the findings of the regional assessment [The State of Play of Judicial Cooperation in Civil and Commercial Matters in the Western Balkans](#) were presented and discussed. This regional assessment prepared by RCC, in cooperation with GIZ, analysed the current state of play and recommended sequenced steps to promote enhanced judicial cooperation in Western Balkans as a prerequisite for economic integration. In this context, overcoming the heterogeneity of various systems and fostering mutual confidence and recognition via closer judicial collaboration amongst Western Balkan authorities is considered essential for the regional market-building process.

The 7<sup>th</sup> meeting of the **South East Europe Judicial Training Institutes (SEE JTI) Network** took place in December 2023 in Tirana, organised by the RCC in close cooperation with the Albanian School of Magistrates. The meeting brought together the SEE JTI Network participants, representatives of DG NEAR, European Judicial Training Network (EJTN), CoE HELP Programme, European Commission for the Efficiency of Justice (CEPEJ), European Centre for Judges and Lawyers (EIPA), GIZ and international judicial experts, with the aim to discuss issues of mutual relevance and agree on the objectives of the Network's activities in the upcoming period. The meeting also facilitated a more regular exchange and coordination among donors in order to increase cooperation, avoid future duplication and overlapping, and identify possible synergies for future collaboration.

The **regional conference titled Mediation in the Context of EU Accession** was organised by the RCC in cooperation with CSSP - Berlin Centre for Integrative Mediation on 11-12 December in Skopje. The Conference brought together representatives of the most relevant



bodies concerned with mediation, i.e. Ministries of Justice, Judicial Councils, and Mediation Associations/Chambers. Through the combination of working group sessions and panel discussions, the Conference provided a space for professional exchange on promoting the amicable settlement of disputes by encouraging the use of mediation and ultimately promoting a balanced relationship between mediation and judicial proceedings.

**A new study commissioned by RCC** titled [Fostering Cross-Border/Boundary Mediation Excellence - Towards Harmonised Quality Standards and Best Practices in Civil and Commercial Dispute Resolution across South East European Jurisdictions](#) was also presented and discussed during the Conference. By focusing on the EU perspective, inter-domestic instruments, private international law, and the unique dynamics of SEE jurisdictions, the study aims to provide a nuanced understanding of the challenges and opportunities in this domain. The study highlights the commendable practices existing in the SEE region, such as the voluntary nature of mediation, continuous alignment of domestic mediation laws with inter-domestic standards and EU directives ensuring that mediation frameworks remain relevant and effective over time, and flexibility in court procedures allowing for the transition from litigation to mediation at various stages.

The 17<sup>th</sup> meeting of the **Western Balkans Working Group on Justice** was organised in April 2024 in Durres, Albania. The meeting sustained the regional dialogue initiated by this working group on the mutual legal assistance and best international practices with a view to promote enhanced judicial cooperation in Western Balkans as a prerequisite for economic integration of the region.

In this context and aiming to continue contributing to the improvement of cross-border/boundary judicial cooperation in the Western Balkans in compliance with the functioning of the European Union, a **model of a bilateral agreement on civil and commercial matters was presented** and discussed with the participants. Economies in the region will continue to use their prerogatives in the negotiation of bilateral agreements but they will be able to adopt this model to the local legal practice and their interests in bilateral relations with greater precisions and safeguard the integrity of the legal institutes of international judicial assistance in civil and commercial matters.

## B5. Security

Over the reporting period from May 2023 to May 2024, the Regional Cooperation Council has advanced its initiatives to enhance security cooperation across South East Europe. This period saw significant efforts in orchestrating large-scale conferences and conducting comprehensive surveys to gauge public sentiment on security issues.

The RCC conducted the [third edition of SecuriMeter survey](#) (the annual Public Opinion survey on security perceptions) between 14 May and 2 June 2023 across the Western Balkan

economies, engaging 6,023 respondents. The survey aims to understand better citizens' perceptions of the main security challenges, including organised crime, terrorism, corruption, irregular migration, impact of global geopolitical tensions, etc., and assist practitioners and governments in making informed decisions and evidence-based policies to respond to emerging challenges. The key findings **presented at the 8<sup>th</sup> Jumbo Security Conference** were important in informing practitioners and shaping responsive and effective security policies.

The [Balkan Barometer - Special Security Edition](#), published in September 2023, provided a detailed analysis of the socio-economic impacts of the war in Ukraine on the Western Balkans, revealing significant public and business concerns about economic security and the rise of cybersecurity threats. In this context, the report comes as a specific additional instrument along with other reports commissioned by RCC, such as the Balkan Barometer and SecuriMeter, the objective of which is to provide updated information on citizens and/or business perceptions across a wide array of policy areas pertinent to the Western Balkans. The report consists of two main parts: Public Opinion Survey, with 3,000 participants from Western Balkan economies with 32 questions posed, and Business Opinion Survey - a survey of business perceptions in each of the Western Balkan economies with a total of 600 companies, and a total of 24 questions.

[The 8<sup>th</sup> Regional Security Coordination Conference](#), themed Secure the Future: Building Resilience through Collaboration, convened in Rome in November 2023, focusing on addressing security challenges in South East Europe, notably the Western Balkans. Organised through collaborative efforts by the RCC, International Relations Service of the Office for Coordination and Planning of Police Forces of the Ministry of Interior, and Ministry of Foreign Affairs and International Cooperation of Italy, the conference hosted over 100 participants and 55 speakers from diverse backgrounds, fostering dialogue among Western Balkan economies, Italy, EU Member States, and international organisations.

Aligned with SecuriMeter 2023 findings, the conference addressed critical themes, including violent extremism, organised crime, migration, and cybersecurity, while exploring human security and integration of AI and innovative technologies in policing for the first time. The 8<sup>th</sup> Regional Security Coordination Conference included one thematic panel dedicated to the regional exchange between the Ministries of Interior and Ministries of Justice of the Western Balkans at the level of leaders of working groups for Chapters 23 and 24, thus laying the groundwork for enhanced regional cooperation. It focused on how Western Balkan economies are navigating the challenges posed by delivering on Chapter 23 and Chapter 24 of the acquis. Acknowledging the diverse stages of progress across economies, the consensus among panellists was that this platform provided a valuable opportunity for shared discussions and experiences, given the common aspiration for full EU membership. The significance of collaborative dialogue was emphasized, recognising the inherent support that economies could extend to one another in overcoming shared challenges.

The accompanying report titled [Western Balkans Security Synopsis: Reflections & Recommendations from the 8<sup>th</sup> Regional Security Coordination Conference 2023 \(Post-](#)

[Conference Report](#)), published by the RCC, provides a comprehensive summary of the discussions, introducing new chapters that analyse the security landscape and trends in the Western Balkans. It includes observations and preliminary recommendations aimed at enhancing future editions of the conference. This publication reflects the collaborative spirit of the event, emphasizing the role of mutual support and shared knowledge in strengthening regional security dialogue.

The RCC has strengthened its security initiatives by co-chairing meetings and supporting activities with initiatives of **South East European National Security Agencies (SEENSA) and SEE Military Intelligence Chiefs (SEEMIC)**. These platforms are aimed at enhancing security frameworks and intelligence sharing across the region, underlining the RCC's facilitating role in enhancing regional security networks.

In the framework of the 2023 **South East Europe National Security Authorities (SEENSA)** co-chairmanship of Montenegro and the Regional Cooperation Council, the 13<sup>th</sup> Meeting of the Heads of National Security Authorities of SEE was held in Ohrid on 28 August 2023. During the meeting, the Heads of SEE NSAs discussed the way forward for SEENSA and shared their views on the future of the platform. Participants were invited to explore their expertise necessities and priorities, and communicate concrete proposals on results-driven activities to the RCC. The RCC reaffirmed the support to practical suggestions and possible initiatives that would stem from the NSAs themselves and would lead to a meaningful regional cooperation. **Bulgaria assumed the 14<sup>th</sup> SEENSA co-chairmanship**. As a follow-up to the commitment undertaken by SEENSA participants at the 13<sup>th</sup> meeting of Heads of NSAs, in the period 28-31 May, the current co-chair - the NSA of Bulgaria organised a training seminar in the field of personnel security for experts from SEENSA participating economies.

The 15<sup>th</sup> meeting of the **SEE Military Intelligence Chiefs (SEEMIC)** was held under the Bulgarian and RCC co-chairmanship on 10 October 2023 in Sofia. An **open source intelligence assessment report** on the “External threats to the security of the SEEMIC region” was adopted by the Heads of Military Intelligence Chiefs. The report is intended to provide the political and military decision-making bodies with timely, relevant and comprehensive intelligence picture on the subject. During this year's co-chairmanship of the platform by Croatia, representatives of RCC and Defence Intelligence Agency of Croatia met in February 2024 with a view to coordinating SEEMIC activities during 2024. The first SEEMIC WG under the co-chairmanship of Croatia met on 12 March 2024. All participants agreed to work towards preparation of **the next OSINT assessment report on the topic proposed by Croatia** titled “Security threats for the SEEMIC region emanating from Emerging Disruptive Technologies”.

During the reporting period, RCC representatives participated in activities in the framework of **SEDM process** (SEDM Ministerial Meeting held in November 2023 in Ankara, Türkiye and the SEDM Coordination Committee held in March 2024 in Iași, Romania).

The RCC has laid foundational plans for the upcoming 9<sup>th</sup> Regional Security Coordination Conference and the 2024 edition of the SecuriMeter survey. Through these comprehensive

efforts, the RCC remains dedicated to maintaining and strengthening the security framework of the Western Balkans, facilitating the region's integration into the European Union, and enhancing overall regional stability and security cooperation.

## C. Horizontal Activities

### C1. Programming, Monitoring, Coordination

In the previous year, 9<sup>th</sup> edition of [Balkan Barometer Public and Business Opinion Surveys](#) was presented in mid-July 2023 marking a departure from its traditional presentation style. Balkan Barometer results spotlighted business and public opinions in regard to each of the distinct CRM priority areas, such as regional investment area, regional digital area, labour mobility and upskilling, and industrial and innovation area, but also green agenda's reflections on businesses.

Over the years, Balkan Barometer has solidified its position as an indispensable and extensively referenced source, providing current insights into the perceptions and attitudes of both the general public and businesses. Its credibility is underscored by its extensive use by policymakers, academia, businesses, civil society, and decision-makers alike.

In preparation for the **10<sup>th</sup> edition of the Balkan Barometer in 2024**, RCC launched the process for the data collection and analysis in October 2023, and the implementation started in January 2024. Questionnaires were refined in preparation for this jubilee edition of the Balkan Barometer. With the field phase concluding in April, 2024 attention now turns to developing the narrative analysis and launching the results. Balkan Barometer is scheduled for release and promotion by June 2024. This edition promises to shed light on selected questions, unveiling trends observed over the past decade. In order to further strengthen the women economic empowerment agenda, in the reporting period RCC undertook a **gender analysis of its annual surveys** - Balkan Barometer and SecuriMeter - to ensure a gender perspective in both surveys and provide views that are more balanced amongst men and women.

Permanent and structured regional dialogue on CRM and GAWB implementation was maintained throughout the reporting period. During the PM Sherpas' meetings (May and September 2023, February and April 2024), RCC used the opportunity to share the state of play in the implementation of respective regional agendas under CRM and GAWB, elaborate on the implementation of the deliverables of Berlin Process Summit (Tirana Summit in 2023 and upcoming Berlin Summit in 2024), inform on challenges encountered, and express its full commitment to expedite all related process ahead of Berlin Process Summits.

The [CRM report on implementation for 2022](#) was published in May 2023, thus representing a joint endeavour of the RCC and its partners, CEFTA, WB Chamber Investment Forum

(WBCIF) and Transport Community Treaty (TCT), together with valuable contributions of the responsible line ministries/agencies in each of the WB economies. The report outlines the notable regional accomplishments within each of the four CRM policy areas: Regional Trade Area, Regional Digital Area, Regional Investment Area, and Regional Industrial and Innovation Area, as well as key achievements at economy level. RCC started working on the **Final Report for CRM 2021-2024**.

Implementation of CRM entered its final year and RCC has initiated the process of developing the second phase of **Common Regional Market (CRM2)** through the preparation of **the strategic framework and respective timeline** for the finalisation of the Action Plan 2025-2028 in due time to allow endorsement at Berlin Process Summit on 14 October 2024. The strategic framework, including initial ideas on the potential areas of CRM2, was launched by RCC Secretary General at the Western Balkans Meets EU meeting held in Skopje in January 2024.

In developing the CRM Action Plan 2025-2028, RCC is taking a **fully participatory, inclusive and transparent approach**, including through structured and permanent consultations with regional partners (CEFTA, WBCIF and TCT), EC and more importantly with WB economies. The consultations with the later are held in two levels: technical level through existing regional working groups in respective agendas and political level through WB Leader's Summit and PM Sherpas.

Consultation approach and methodology with **civil society, international organisations** and partners as well as with **international financial institutions (IFIs)** on CRM2 is discussed widely with the regional partners to ensure timely, transparent and inclusive consultation process. To enable swift preparation of CRM2 and in line with inputs and suggestions from WB economies, RCC has coordinated the work with regional partners to prepare the main building blocks for CRM2 and the way forward until the finalisation of the Action Plan 2025-2028. In-depth consultation with PM Sherpas (February and April 2024) on the main building blocks was carried out, also outlining benefits and expected results under each building block. To inform on the key milestones for timely preparation of the CRM2, RCC Secretary General sent out official letters to the WB Prime Ministers to ensure timely finalisation of the Action Plan 2025-2028.

Following the contribution and consultation with WB economies, RCC and regional partners proposed the main building blocks of CRM2 ahead of the Leaders' meeting in Kotor on 14 May 2024. At the **WB Leaders Summit in Kotor**, WB leaders committed themselves to endorse the CRM Action Plan 2025-2028 at the Berlin Process Leaders Summit in October 2024, and agreed to put emphasis on the following **priority areas**: free movement of goods, free movement of services, horizontal trade measures, human capital development, business enabling environment and competitiveness and digital transformation. WB Leaders also invited the RCC and CEFTA to coordinate, in close cooperation with other stakeholders, and prepare the Action Plan for the second phase of Common Regional Market, including a timeline for implementation and measurable results.

## C2. Communication

This segment provides an overview of the progress made in the past year, detailing the strategic communication initiatives, outcomes, and the broader impacts of these efforts on regional cooperation.

### ***Enhancement of Regional Cooperation Awareness***

The communication efforts of RCC continued to underscore the importance of inclusive and sustainable regional cooperation. This was materialised through various campaigns, events, and digital content that highlighted the economic and social benefits derived from enhanced cooperation within the region.

### ***Promotion of EU Integration and Benefits***

A key focus of our communication efforts has also been on promoting the EU's dedication to the region, alongside the tangible benefits of EU integration. Communication efforts included success stories that illustrate the cultural and economic advantages of EU integration, tailored to resonate with both regional and EU audiences.

### ***Enhanced Communication on RCC Activities***

The RCC has prioritised clear and accessible communication about its flagship products, activities and goals. This involved the use of simple language and sharing of success stories that resonate well with the regional audience, thereby increasing support from political and public spheres.

### ***Tailored Communication Action Plans***

To align with the strategic goals outlined in the RCC's Work Programme 2023-2025, detailed Communication Action Plans were developed for each RCC flagship product and activity, from Common Regional Market agendas and results, WB Green Agenda, to regional coordination monitoring mechanisms, SEE2030 Strategy and security cooperation. These plans were tailored to the specific dynamics of each activity/product/result and corresponding target audience, ensuring coherent and effective communication.

### ***Innovative Communication Practices and Tools***

The RCC has leveraged modern communication tools and platforms to reach a diverse audience. This includes the use of enhanced digital communication, social media strategies, and traditional media channels in the region and beyond. Targeted communication activities were designed to engage specific groups, including youth, government agencies, and the European Union, fostering a deeper connection and understanding of the RCC's mission. Engagement on social media platforms was intensive, particularly focusing on engaging multimedia content to attract a younger demographic and increase overall user engagement.

### ***Projects and Initiatives***

The RCC has actively promoted the activities under the RCC-implemented and EU-funded projects. Through promoting the activities of these projects, the RCC has managed to enhance the visibility and impact of EU and organisation's communication efforts, fostering greater regional collaboration and support. In line with previous years, the RCC supported important regional initiatives and successful projects whose positive image and reputation contribute to raising awareness of regional cooperation and EU integration among the general public.

### ***Performance Metrics and Impact***

The effectiveness of RCC's communication strategy is reflected in the substantial increase in digital engagement metrics. The RCC website views have surged by 33%, with new users increasing by 86%. We produced 59 news releases and 22 interviews, articles, op-eds, vlogs, and video podcasts that were published across various media in the region and beyond. Media engagement remained steady with close to 7000 media reports recorded on RCC activities during this period. The RCC's social media presence saw significant growth across platforms. Facebook reached over 2 million people, achieving 11.4% growth in interactions and a 172% increase in engagement, with 29 thousand likes and 32 thousand followers. Our Instagram profile continued to attract interest, achieving a reach of 2.2 million users, with over 15,700 interactions and 22,000 profile visits. Our video content on Instagram amassed 2.1 million views, with 1.3 million organically. X (Twitter) impressions stood at nearly 224,000; LinkedIn attracted over 8,000 page-views, while YouTube channel received 391,392 views and TikTok garnered 45,779 views.

### ***Challenges and Forward Outlook***

While notable progress has been made, challenges remain in ensuring consistent engagement across all segments of the target audience. Going forward, the RCC plans to refine its communication approaches based on feedback and evolving regional dynamics to ensure even greater inclusivity and impact.

In the period from May 2023 to May 2024, the RCC had successfully implemented its communication strategy, significantly advancing regional cooperation and EU integration narratives. With continued dedication to refining and expanding its communication efforts, the RCC is well-positioned to further its role as a pivotal organisation in fostering regional cooperation and integration in SEE. This ongoing commitment is essential not only for the region's present challenges but also for its long-term aspirations towards EU membership.

## **C3. Extending partnerships**

In an effort to extend cooperation and partnerships with other organisations, in July 2023 in Brussels, the Regional Cooperation Council entered into a **Memorandum of Understanding**



**(MoU) with the European Economic and Social Committee (EESC).** The RCC is dedicated to collaborating with the EESC, the EU's advisory body that represents civil society, on policy initiatives designed to engage civil society and enhance regional cooperation.

In April 2024, upon RCC Board's approval, a **Memorandum of Understanding was signed with the College of Europe (CoE)** to offer one scholarship to a student from an SEECF Participant to attend the Master's programme at the recently opened CoE Campus in Tirana.

Continuing our successful cooperation from last year, together with the Federal Ministry for European and International Affairs of Austria (BMEIA), we will support organisations or individuals from South East Europe through the flagship **2023 Champion of Regional Cooperation Dr Erhard Busek Award**. This award, inspired by European values and principles, aims to recognise and encourage outstanding contributions to regional cooperation.

This year, the financial support for the awardee will be **doubled to 10,000 EUR**, reinforcing our commitment to fostering collaboration and development in the region. The Champion of Regional Cooperation Dr Erhard Busek Award not only highlights the importance of regional cooperation but also serves as a beacon of support for initiatives that drive positive change and strengthen ties in South East Europe. More details about the award can be found [here](#).

Regional Cooperation Council was honoured to have been invited by our partners to a number of meetings and events, including the World Health Organisation, UNECE Regional Forum on Sustainable Development, discussions on the Western Balkans accession to the European Union and the role of regional cooperation and RCC at the Elcano Royal Institute in Madrid, TRATOLOW Ministerial on green transition and energy sustainability in Vienna, etc.

To enhance efficiency and avoid redundancy in its activities, the RCC continued working closely with relevant civil society organisations and relevant international and regional partners. This includes establishing robust relationships with organisations such as CEFTA, Western Balkans Chamber Investment Forum, United Nations Development Programme, Council of Europe, and World Health Organisation, among others. Moreover, while the RCC Secretariat sustains relationships with the South East Europe Cooperation Process Participants and RCC Board Participants, it also develops ties with the European Union institutions and associated entities based in Brussels.

The **Brussels Liaison Office (LO)** of the Regional Cooperation Council, during the reporting period, engaged in a series of meetings and events aimed at enhancing regional cooperation, supporting the EU enlargement process, and promoting presence of RCC in EU institutions.

The Liaison Office facilitated multiple high-level engagements including introductory and regular meetings with ambassadors, deputy heads of missions, and diplomats from EU permanent representation and delegates in working groups, as well as representatives of European Union institutions such as President of the European Council Charles Michel's cabinet and the European External Action Service's Regional cooperation desk, to name just a

few. Significant meetings also took place with UNOPS to explore synergies between RCC activities and ongoing UN projects, with the Friends of Europe to revitalise cooperation and focus on the Western Balkans at the EU-Western Balkans Summit, NALAS, and with DAI/USAID concerning the EU ACCELERATE bid which presents potential collaboration opportunities for the RCC.

In addition to these diplomatic efforts, the Liaison Office played a role in analysing, processing, and distributing vital documents pertinent to the EU enlargement agenda. This includes insights from briefings and summaries of European Commission enlargement reports. The reporting period also saw substantial involvement of LO in key summits and public debates that centred around the enlargement process and policy impacts on the Western Balkans, demonstrating RCC's active participation in shaping and driving forward the enlargement discourse.

These activities underscore the LO's instrumental role in facilitating discussions and policies that aim to integrate Western Balkan economies more closely with the EU, reflecting RCC's ongoing commitment to fostering regional cooperation and supporting EU integration efforts.

## Abbreviations

ACG	Advisory and Coordination Group
BDTF SEE	Biodiversity Task Force of South East Europe
BIA	Butterfly Innovation Award
BMEIA	Federal Ministry for European and International Affairs of Austria
CEFTA	Central European Free Trade Agreement
CEPEJ	European Commission for the Efficiency of Justice
CI	Creative Industries
CE	Circular Economy
CoE	College of Europe
C-i-O	Chairpersonship-in-Office
CRM	Common Regional Market
CRM2	Second iteration of the CRM Action Plan
CSOs	Civil society organisations
DIHs	Digital Innovation Hubs
DG	Directorate General
DG NEAR	Directorate General for Neighbourhood and Enlargement Negotiations
EC	European Commission
EIPA	European Centre for Judges and Lawyers
EJTN	European Judicial Training Network
ENQA	European Association for Quality Assurance in Higher Education
EPC	European Payments Council
EPSR	European Pillar of Social Rights
ERI SEE	Education Reform Initiative of South Eastern Europe
ESAP	Employment and Social Affairs Platform Project
ESS	Employment Service of Slovenia
ETS	Emission Trading Scheme
EUBYF	EU-Balkan Youth Forum
FDI	Foreign Direct Investment
GAWB	Green Agenda for the Western Balkans
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICT	Information and Communication Technology
IFIs	International Financial Institutions
IISG	Integrative Internal Security Governance
JWGI	Joint Working Group on Investments
LMPs	Labour Market Policies
LO	Liaison Office
MAPs	Mutual Assistance Projects
MoU	Memorandum of Understanding
NALAS	Network of Associations of Local Authorities of South East Europe
OECD	Organisation for Economic Cooperation and Development
PD	Political Directors
PES	Public Employment Services
PSPs	Payment Service Providers

RCC	Regional Cooperation Council
RNWE	Regional Network of Women in Entrepreneurship
RoP	Rules of Procedure
RWG GAWB	Regional Working Group on Green Agenda for the Western Balkans
SDGs	Sustainable Development Goals
SEE	South East Europe
SEE IGI	South East Europe Inclusive Growth Index
SEE JTI	South East Europe Judicial Training Institutes
SEE2030	South East Europe 2030 Strategy
SEECp	South East European Cooperation Process
SEEMIC	SEE Military Intelligence Chiefs
SEENSA	Meeting of the Heads of South East Europe National Security Agencies
SEPA	Single Euro Payments Area
SSN	Statistical Authorities Network
SWP	Strategy and Work Programme
TEG	Tourism Expert Group
TEPAV	Economic Policy Research Foundation of Türkiye
TCT	Transport Community Treaty
ToR	Terms of Reference
UNECE	United Nations Economic Commission for Europe
WB	Western Balkans
WBBSi	Western Balkan Border Security initiative
WBCIF	Western Balkans Chamber Investment Forum
WBCSCi	Western Balkan Counter Serious Crime initiative
WBCTi	Western Balkan Counter Terrorism initiative
WBDS	Western Balkans Digital Summit
WBYL	Western Balkans Youth Lab Project
WGFM	Working Group on Financial Markets
WGID	Working Group on Industrial Development