



Regional Table Final Meeting

Sofia, 27 February 2008

Speech of SC Busek

Ladies and gentlemen,

I am very pleased to welcome you today to this historical meeting.

We are gathered here for the final meeting of the Regional Table of the Stability Pact and the first meeting of the Regional Co-operation Council. This is a great day for South Eastern Europe, a region that has faced so many challenges but now enjoys tremendous opportunities.

Halfway through the meeting I will formally hand-over the chair to the Secretary General of the Regional Co-operation Council Hido Biscevic, transferring to him and to the RCC the responsibility for regional co-operation in South Eastern Europe.

We are turning a page in the region's history and will witness a landmark change. For centuries, the fate of South Eastern Europe was decided outside the region; now the region has the opportunity to decide its own fate.

As the Stability Pact passes the baton, I am very proud of this successful transfer to regional ownership, which is the Pact's greatest achievement.

This achievement was made possible by the substantial progress in the region in all fields - democratic stability, economic development and improved security.

I must stress this point, at a moment where tensions around Kosovo are dominating the headlines. The region's outlook is today greatly improved and presents us with a radically different landscape if compared to that of nine years ago, when the Stability Pact started its work.

The region's agenda has decidedly shifted from reconstruction and military containment to co-operation and Euro-Atlantic integration, with vibrant democratic and peaceful political processes and encouraging economic growth.

Regional co-operation was instrumental in reaching this stage and its importance is today widely understood, within and outside South Eastern Europe. In the region, countries which were once reluctant to engage in closer relations now clearly recognize the benefits of regional co-operation that underpins reforms and improves their domestic circumstances.

This is also a sign of normalisation: co-operating with your neighbours is the rule, and not the exception. This is true throughout the world and clearly so with the largest and most complex regional co-operation scheme in the world, the European Union.

In the case of South Eastern Europe, regional co-operation initially served very specific purposes. It underpinned peace agreements. It supported reconciliation and fostered reconstruction. But as the region pursues a normal, European future, leaving behind its



recent past of conflicts and divisions, regional co-operation has become a central element of the region's common development strategy.

Put simply, regional co-operation, seen by some as an obligation imposed from outside – has become a feature of political normality.

The key point is that such co-operation is now driven by the needs and motives of the countries of the region.

The idea that regional co-operation would be an alternative or a waiting room for European integration proved to be mistaken. Rather, regional co-operation has worked as a preparatory ground for European and Euro-Atlantic integration. All countries have benefited from peer review mechanisms and from the example and experience of frontrunners in the drive to join the EU and NATO.

On the EU side, following years when the debate on absorption capacity set a limit to future enlargements, the conclusion of the EU Lisbon Treaty now provides a sound institutional basis for realising the Thessaloniki promise. Similarly, the upcoming NATO Summit in early April in Bucharest will, we hope, confirm the way forward for the region's efforts to contribute to peace and security in the region and elsewhere.

As for international actors, I am pleased to see that devising and supporting regional approaches is an increasingly popular trend. This is true for the European Commission, International Financial Institutions and several bilateral donors.

This is clearly reflected in the support that the European Commission and other international donors gave to the process of building up the RCC, and their financial and political commitments to future RCC activities.

The foundation for this is found in the substantive achievements in various fields that have led to the ever increasing acceptance of regional co-operation.

The Stability Pact's effort to tackle simultaneously the democratic, economic and security components of regional reconstruction and co-operation has today led to a consolidated and consistent regional programme of co-ordinated initiatives.

There are several key elements that stand out. Let me start with democratisation.

Parliaments of the region are now co-operating on a regular and institutionalised basis with the establishment of the Parliamentary Co-operation Secretariat in the Bulgarian National Assembly, here in Sofia. Networking and information exchange between parliaments of the region helps to consolidate democracy and government's oversight capacity in each and every country. Support for free media and governmental development have also been important.

Progress on e-Governance can integrate the whole regional agenda. eGovernance is a true key to change in South East Europe. The modernization of public administration will allow institutions to connect with their citizens, improving transparency and democracy. The new Centre for eGovernance Development in Ljubljana, which relies on a promising public-private partnership, promises further dynamism to this strategic task.

In terms of economic integration, regional infrastructure and social cohesion, progress is impressive.



The new Central European Free Trade Agreement (CEFTA 2006) is in force and South Eastern Europe is now effectively a single free trade area. This boosts intra-regional trade, brings the region into line with EU and international standards and makes the region more attractive for investors. Trade integration is also clearly a key component of the region's drive towards membership in the EU.

Co-ordination of investment policies complements progress in trade liberalisation. The South Eastern European Investment Committee, regional governments, the private sector and OECD experts are working together to evaluate and improve investment policies throughout the region. Don't underestimate the potential benefits of this collaborative approach.

The Business Advisory Council has consistently provided the Pact with valuable perspectives from the private sector and will continue to do so under the RCC. Efforts at sustaining further private sector development in South Eastern Europe will be complemented by the Thessaloniki based Regional Development Centre which will open shortly, thanks to the commitment of the Greek government.

The Energy Community Treaty is another success story. It provides the basis for integrating the EU and South Eastern Europe energy markets, with beneficial effects on energy security for both sides. The ECT also anticipates features of European integration for South Eastern Europe. The recent work on gas markets can only strengthen the Treaty's contribution to the region's development.

Concerning infrastructure, I would now like to mention the forthcoming Treaty on a Transport Community for the region, and to make a plea that inland waterways – and the Danube in particular - are addressed by this Treaty

The importance of addressing the social aspects of reform is increasingly recognised by all. The adoption of the MoU on the Social Aspects of the Energy Treaty, the intention to include social aspects in the Transport Treaty and continued co-operation by Ministers of Employment all confirm this view.

Education and research policies are also progressing, and will be increasingly co-ordinated through the signing of an enhanced Memorandum of Understanding, a process which is almost completed.

At the same time, the RCC focus on building human capital will mean that issues such as the future of youth and the brain drain from the region will be tackled more effectively.

Regional ownership and substantial progress also went hand in hand in the fields of security and justice and home affairs.

The region is leading the development and co-ordination of anticorruption strategies through the Regional Anticorruption Initiative. A Memorandum of Understanding strengthens co-operation, and provides for cost sharing for the Initiative's small Secretariat in Sarajevo.

The SECI Centre for Fighting Trans-border Crime in Bucharest is an important hub for activities combating organised crime. It is gaining credibility as a serious counterpart with international partners such as Europol, Interpol and others.



Co-operation among police forces is increasing in quality and quantity under the auspices of the South East European Police Chiefs Association (SEPCA), for which a new legal status has been agreed.

Last year's forest fires have again highlighted the urgent need for regional co-operation in disaster prevention and response. And we must recognize the future threats of devastating floods and the region's vulnerability to earthquakes.

These events transcend national borders and require a regional response. The region, via a Memorandum of Understanding, will assume more technical and financial responsibility for preventing, preparing and dealing with disasters. The Stability Pact's Disaster Preparedness and Prevention Initiative (DPPI) has catalysed the key actors – NATO, the World Bank, the EU, and the UN -- to pool resources and to share knowledge with the region. These partners are now joining their efforts to support a SEECP Ministerial meeting on this topic in April.

Having addressed the substance component of our past work, let me go back to some features of the Stability Pact as a political process. The Stability Pact has worked well as a confidence building mechanism. It catalysed interest in the problems of the region and helped to match the region's needs with what donors could offer. It relied on very light, flexible structures and constantly adapted these to the changing environment.

Today we have a more mature region where co-operation has generated an overall, consistent regional agenda and programme.

Such a landscape could barely be foreseen only a few years ago, let alone when the Stability Pact was launched.

Perhaps at this juncture I might speak briefly on the issue of Kosovo. Through the network of Stability Pact initiatives and task forces, Kosovo is fully part of the regional landscape and co-operation activities. This is good for the region and it is good for the people of Kosovo.

It is my hope that, as we move ahead in the coming weeks and months, the positive momentum in this area will continue, to the benefit of all in the region, and to achieving a Europe fully integrated politically and economically. This is a time for focusing on the future and not sliding backwards into the past.

As I close my remarks at this historic gathering, it is clear that the key challenge before us all is the full implementation of the future regional co-operation agenda.

Although international support is available, the region itself must commit enough human, political, technical and financial resources to secure the economic and social benefits inherent in regional co-operation processes. Strong political leadership and sound expertise on thematic co-operation need to be combined to ensure that the RCC's goals are successfully met.

The future presents the region with new challenges and issues. A strong co-operative framework, the Regional Cooperation Council -- is in place. The RCC has outstanding regional leadership in Secretary General Biscevic, and it will have an effective secretariat drawn from the region. I am very confident that the momentum of broad progress created by the Stability Pact will continue and South Eastern Europe will make real contributions within the EU and NATO in the years ahead.



The wide agreement, in the region and among international partners, to build a structure to continue the work on regional co-operation is a strong signal of appreciation of what we did and again of the relevance of regional co-operation for the future progress and success of South Eastern Europe.

But ownership, besides being a successful outcome, is simply a starting point. The future of regional co-operation in South Eastern Europe starts here, today.

Flexibility, adaptability, perseverance and tenacity have been prominent features of the Stability Pact's approach and success.

I therefore encourage you to persevere and be tenacious in your efforts to continue on the path of co-operation and integration.

Ownership means responsibility. From now, the future of regional co-operation is in your hands and the responsibility will be yours. I am confident that you will rise to this challenge and I wish you every success.

The floor is yours.