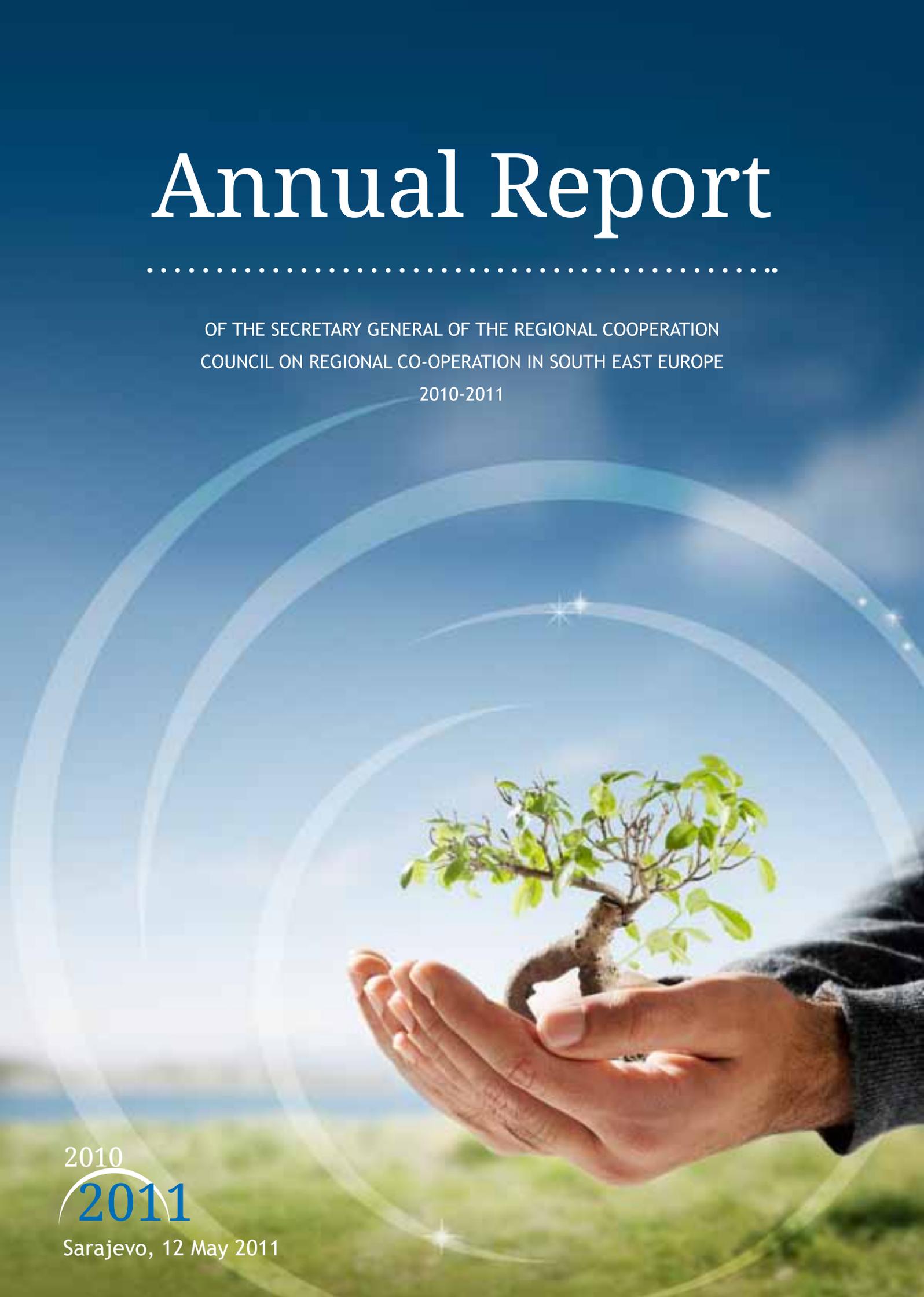


Annual Report

The background of the cover features a pair of hands holding a small, vibrant green sapling. The scene is set against a clear blue sky with a faint rainbow arching across it. Sunlight rays and lens flare effects are visible, creating a bright and hopeful atmosphere. The overall composition is centered and balanced, with the hands and tree as the focal point.

.....

OF THE SECRETARY GENERAL OF THE REGIONAL COOPERATION
COUNCIL ON REGIONAL CO-OPERATION IN SOUTH EAST EUROPE
2010-2011

2010
2011

Sarajevo, 12 May 2011



RegionalCooperationCouncil

Annual Report

OF THE SECRETARY GENERAL OF THE REGIONAL COOPERATION
COUNCIL ON REGIONAL CO-OPERATION IN SOUTH EAST EUROPE
2010-2011

2010
2011

Sarajevo, 12 May 2011

Publisher: Regional Cooperation Council (RCC) Secretariat
© RCC 2011

All rights reserved. The content of this publication may be further copied for non-commercial purposes, with the appropriate credit attributed to RCC.

For the publisher: Dinka Zivalj, Spokesperson/Head of Media Unit

Designed by Prospekt d.o.o.
Printed in Bosnia and Herzegovina

Design and printing of the publication were financially supported by the Federal Republic of Germany

Sarajevo, 12 May 2011

Contents

Foreword	6
Summary	8
Introduction.....	10
1. General trends in regional cooperation in South East Europe	14
2. Developments in priority areas of regional cooperation in South East Europe within RCC framework ...	22
2.1. General considerations.....	24
2.2. Economic and social development	24
2.3. Infrastructure and energy	27
2.4. Justice and home affairs.....	31
2.5. Security cooperation	34
2.6. Building human capital and cross-cutting issues	36
3. The way ahead.....	38
ANNEX I	42
Western Balkans and Europe 2020 - Towards Convergence and Growth	
Conclusions and proposed recommendations	
ANNEX II	46
List of abbreviations	
RCC Members	50

Foreword



Hido Bišćević
Secretary General
Regional Cooperation Council

Overall developments in South East Europe and the regional cooperation have exhibited encouraging signs, thus representing a valuable incentive for the Regional Cooperation Council to continue building a better place for the people of our region.

The difficult socio-economic situation and political challenges have seemingly dissuaded the region from progressively advancing with key reforms that are indispensable for the European and Euro-Atlantic integration and overall development. However, the progress South East Europe experienced during this period indicates a far different reality, one in which it did not succumb to these deleterious consequences. This is utmost encouraging.

The region advanced further towards the European Union. Enlargement process gained and kept new momentum.

Unresolved issues continue to shadow the political landscape of the region, but the overall stability and security remained a strong platform for enhanced cooperation.

Economic crisis and harsh slowdown of economies throughout the region, with aggregated social consequences, posed a critical challenge for the social security and political stability in particular in terms of sustaining democratic stability against the background of social frustrations, polarizations, populism or re-nationalisation of political agendas.

The crisis effects also prompted greater awareness that a regional recovery and development approach could provide a new charger for cooperation in the areas where underdevelopment, e.g. infrastructural, hampers the renewal of competitive economic production in parts of the region and better use of human and natural potentials and resources through functional and sectorial cooperation.

There is a growing awareness in the region that further advancement towards the Euro-Atlantic integration at this point in time, given the overall international agenda and rapidly changing priorities, increasingly depends on the responsibility, readiness and ability to address and resolve the remaining open issues in a way conducive to the realisation of shared strategic goals of all the countries. This would advance and complete their Euro-Atlantic integration in the interest of durable stability of the region, Europe and beyond. The notion is becoming increasingly important in light of strategic developments in the adjoining Mediterranean and other areas, the shaping of new relations among key international players and the refocusing of international priority agenda.

Notwithstanding the difficulties and oscillations on the political levels, the region has continued to move forward by signalling the need to overcome anachronistic stereotypes, thus making a pertinent step towards a resolution of the remaining issues as well as the continuation with reforms. These are essential pre-requisites for gradual re-profiling of the region into a zone of peace, predictability, shared values and common vision.

The countries from the region have manifested a growing evidence of a deep understanding of fruits that can be collected from a sustained, all-inclusive regional cooperation. This cultivated a growing sense of responsibility to undertake actions that are indispensable to embrace overall stability and security in this corner of Europe. The region, in general, has witnessed an enhanced spirit of rapprochement, reconciliation, moderation and pragmatism. The amalgamation of these positive trends has created a climate in which the development of large-scale and recovery projects can complement political advancement on the European and Euro-Atlantic path.

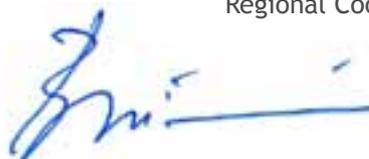
Looking over this period, with our members from the region, EU and international partners, the Regional Cooperation Council marked the commencement of a turning point in regional cooperation. With the adopted Strategy and Work Programme 2011-2013, we have successfully embarked on an elaborate and project-orientated path, where the persistent work on regional recovery and development projects in all priority sectors will ultimately lead to re-profiling of our region by bringing European standards into each and every segment of economic, social and cultural life.

The Regional Cooperation Council, as a key forum for guiding and monitoring cooperation in the region, has stimulated an all-inclusive cooperation at all levels and among all participants, ranging from political leaders, parliaments, media, civil society, regional business communities to international partners. We have promoted the concept of a wider representation in all the ongoing regional processes, building on and supporting positive political trends. We have successfully initiated a gamut of concrete activities in every priority area: justice and home affairs, social and economic development, building human capital, infrastructure and energy, and security cooperation. We have engaged in the process of streamlining regional task forces and initiatives.

I believe that this Annual Report, enlisting in details the results of the RCC Secretariat's work in implementing its Strategy and Work Programme 2011-2013 since the endorsement a year ago, will provide a convincing argument to the vitally important notion -that only by persistent and persevering work the region can move forward and advance towards its shared goals.

The progress attained so far is indicative of a positive and sustainable trend in South East Europe, which should and will continue.

Hido Bišćević
Secretary General
Regional Cooperation Council



Summary

On 27 February 2011, the Regional Cooperation Council (RCC¹) marked three years of dedicated work in promoting regional cooperation. Mapping of regional scene and setting the RCC operational platform took almost two years of intensive networking and consultations involving all its members and numerous partners. At the RCC Annual Meeting and South-East European Cooperation Process (SEECP) Summit in Istanbul, in June 2010, the RCC Strategy and Work Programme 2011-2013 were endorsed. In implementing these strategic guidelines and concrete tasks, the RCC Secretariat carried out numerous activities, among which the most important ones have been listed below.

The RCC Secretariat has recognized the potential of the new Europe 2020 strategy for articulating a new regional vision for economic and social development of South East Europe (SEE). On 30-31 March 2011 in Brussels, it brought together leaders and members of regional initiatives and task forces as well as the European Commission, main donors and partners, in order to contribute to their closer and more coordinated alignment with the Europe 2020 policy objectives. Several regional initiatives, such as SEE Investment Committee (investment and competitiveness) and e-SEE Initiative (information society development) have committed to becoming catalysts for Europe 2020 implementation in the region. Within its Western Balkans in 2020 framework, RCC Secretariat has also provided a platform for regional social agenda introducing a new regional cooperation process in this area. Beyond assisting these initiatives in determining specific policy targets and indicators to measure progress in their areas of regional cooperation, the RCC Secretariat strives to obtain clear political commitment of its members for these efforts.

The RCC Secretariat continued to promote sustainable energy development in the region as the key prerequisite of the 'green economy' concept by backing implementation of the Sustainable Energy Development Regional Initiative (SEDRI), jointly launched by RCC and CEI. The RCC Secretariat's contribution to preparation of the EU Strategy for the Danube Region (EU SDR) was explicitly

recognized by this document and SEDRI was quoted as an example of a project in the Action Plan of the Strategy. In addition, the RCC Secretariat launched an initiative on integrated infrastructure development planning and started to attract partners in order to create appropriate ground for its challenging implementation.

In the area of transport, the RCC Secretariat focused its efforts on air traffic and road safety. It fully supported and facilitated adoption and implementation of the Single European Sky (SEE) legislation in line with the European Common Aviation Area Agreement (ECAAA). In this context, the RCC Secretariat organized relevant events to tackle the issues of legal aspect of Air Traffic Management (ATM) and provided political support in overcoming difficulties the region currently faces. RCC continued to promote a multi-sector approach in road safety by supporting EU directives and regulations in order to raise capacities of national administrations in SEE to cope more effectively with the critical issues of road safety.

On 18 March 2011, the SEECP Ministers of Justice and Interior endorsed the Regional Strategic Document (RSD) and Action Plan on Justice and Home Affairs assuming regional ownership, entrusting and making the national judicial authorities aware of their implementing and monitoring responsibilities. In an environment with a multitude of strategies and programmes, the main objective of the RSD is to pursue an integrated, coherent and transparent regional cooperation, providing guidance, facilitating harmonization of donors' activities and avoiding overlapping and duplication.

“The Regional Cooperation Council has a key role in guiding and monitoring regional cooperation.”

Communication from the Commission to the European Parliament and the Council: Enlargement Strategy and Main Challenges 2010-2011, 9 November 2010

¹ The list of abbreviations used is included as Annex II of the Annual Report.



With the RCC Secretariat's conceptual and financial support to the Regional Anti-corruption Initiative (RAI), the Integrity Experts Network (IEN), responsible for addressing the conflict of interest and assets declaration, was established. IEN functions under RAI Secretariat's support, management, guidance and coordination.

The RCC Secretariat has contributed to enhancing national coordination and regional cooperation in counter-terrorism and in strengthening the response to terrorism by addressing connections with related criminal activities. In addition, the RCC Secretariat worked intensely to promote convergences between justice and security cooperation sector and the need for closer coordination at national and regional levels among law enforcement, judicial, intelligence and security structures.

In the security area, the RCC Secretariat initiated several important activities: development of the regional mechanism of cooperation (regular meetings) among the SEE Chiefs of Military Intelligence (SEEMIC), with full support of the EU Military Intelligence Directorate; the first conference of the SEE Forum of the Chiefs of National Security Authorities (SEENSA), hosted by Bulgarian authorities and with strong support of the General Secretariat of the Council of the EU/Security Office and the NATO Office for Security; and consultations with international and regional partners for hosting and supporting the first conference of the South East European Counter-Intelligence Chiefs Forum (SEECIC).

The RCC Secretariat has actively monitored the implementation of the project Building Capacity for

Structural Reform in Higher Education of Western Balkan Countries, which aims at facilitating effective higher education structural reform. A number of activities taken in order to establish the RCC Task Force (TF) on Culture and Society have enabled the RCC Secretariat to assume the role of the coordinator in the new phase of Ljubljana Process. The constituent meeting of the TF and opening of its Secretariat is planned to take place in Cetinje in June 2011.

The need and the interest for streamlining and strengthening parliamentary cooperation in the region were the reasons for the European Commission to include parliamentary cooperation, for the first time, in the framework of the Multi-Beneficiary (MB) IPA Strategy 2011-2013 as a priority area of the MB IPA Working Group on Public Administration and Governance. The launching of a regional project in the area of parliamentary cooperation is expected in the course of 2012, after finalizing the proposal in the second half of 2011.

Supporting freedom and independence of public service media in South East Europe is a horizontal RCC priority entailing increased cooperation with civil society organizations. The RCC Secretariat, together with the European Broadcasting Union, organized an international conference Addressing Europe's Digital Divide: Towards Sustainable Public Service Media in South East Europe. In line with the conference conclusions, the European Association of Public Service Media in South East Europe was established, as a non-profit professional body of the public service media in the region.





Introduction



Over the period of 29 May 2010-12 May 2011, covered by this report, regional cooperation in South East Europe registered an increased regional ownership and stable development in all vital areas. This development has influenced the overall dynamics of regional cooperation, a feature reflected particularly in the work of the Regional Cooperation Council (RCC). Based on the results achieved in its initial years of activity, RCC reached a level that cogently speaks for the important value this hub for cooperation brings to the South East European region.

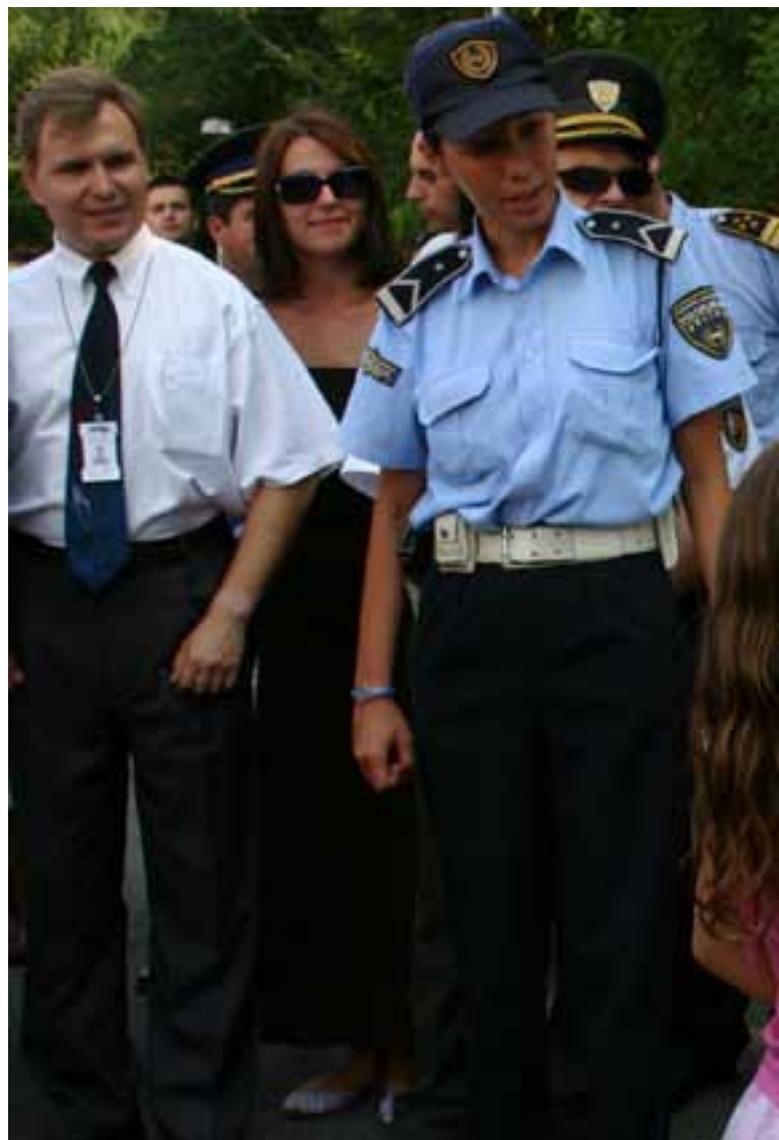
The region witnessed an enhanced spirit of rapprochement, reconciliation, moderation and pragmatism over most of the recent period. These trends have stimulated the ongoing efforts directed towards consolidating peace and stability in the region and are tantamount to a favourable climate for the South East European countries to pursue the much needed reforms, which in turn allowed each of them to gradually move closer to European and Euro-Atlantic integration.

The regional platform represents a very important mechanism, in which political relations and cooperation are mutually inclusive. Amongst other, this entails a degree of responsibility on the part of the countries from the region, particularly to successfully overcome the anachronistic stereotypes that only feed the current unsolved issues into the region. The effects of the recent crisis could exacerbate the situation by pushing the whole region towards a precarious situation. A slow economic development and strained social stability could be among the consequences, as well as unnecessary delays in the advancement on the path to European and Euro-Atlantic integration, and unwanted strategic vacuum.

However, the recent trends in regional cooperation are indicators that confirm the enhanced spirit with which countries from the region acknowledged the need to overcome many of these deleterious issues. Sustainability of the momentum is highly important, in terms of finding a way forward in order to preserve the overall regional cooperative spirit, among neighbours and partners with a complex and intricate recent past. Improving good neighbourly relations and working together to solve common problems are amongst those factors that determine

prosperity and ability for efficient functioning of the countries of the region.

The developments in this period rest on a pertinent framework that RCC managed to profile during its initial years of activity. RCC proved to be a valuable and regionally owned framework for cooperation during times marked by transfiguration of the region's political landscape, both in terms of advancement on the European and Euro-Atlantic path and in terms of establishment of a durable architecture of security and stability.



With the support of founders from the region and international partners, RCC nurtured the spirit of cooperation, secured the all-inclusive character of the forum by endeavouring to engage and include all the members of the region in its work, and raised awareness about the benefits that regional cooperation could generate in this part of Europe. These achievements proved to be a highly propitious platform for the subsequent RCC capacity to bring the region together around recovery and development projects that would complement its general political advancement.

“Regional Cooperation Council in Sarajevo has been patiently ploughing through a mass of dull, necessary work. It is a process, not an event.”

The Economist, 20 August 2009



1. General trends in regional cooperation in South East Europe





The last Annual Meeting of the RCC held in Istanbul in June 2010 marked the commencement of a turning point in regional cooperation in South East Europe. The occurring trends have been conducive to instil the prospects and benefits that an all-inclusive, project-orientated cooperation framework could generate for the region and each participating country.

Given its intrinsic mandate of promoting regional cooperation, the RCC Secretariat prepared the organization's Strategy and Work Programme for the 2011-2013 period, together with the members from the region, and with support of the European Commission and all the stakeholders. The document was adopted by the RCC Board and subsequently endorsed by the whole RCC membership at the 2010 Annual Meeting, as well as by the Heads of State and Government of the South-East European Cooperation Process (SEECP) Participating States at their 13th Meeting (Istanbul, 23 June 2010). It serves as an impetus for the myriad of RCC Secretariat's activities, responds to the needs of the region, and aims to profile the added value of an enhanced and result-oriented cooperation in key priority areas in South East Europe.

A vital effort of the RCC Secretariat was to tailor its activities to the requirements of the RCC Strategy and Work Programme 2011-2013 implementation process. The first phase is characterized by encouraging trends in many areas that determine, albeit to a different degree, the dynamics of regional cooperation. This ranges from consolidating the structure of RCC (the Secretariat and its Liaison Office in Brussels) to holding efficient meetings of the RCC Board, from a constructive dialogue with the RCC members, to a successful pursuit of a synergy between RCC and SEECP and an increased visibility of the organisation. Considered together with the substantial achievements in each and every of the five priority areas, these developments account to a successful start of the new period in regional cooperation.

This report refers to some of the aforementioned developments and highlights those challenges that proved to be cumbersome for the sustainability of the process.

The report reflects on the state of institutional relations of the South East European countries with the EU and produces a track record of substantial

“The RCC Secretariat has a strategic role in implementing regional cooperation and in identifying and addressing needs in regional activities.”

Dimitrios Droutsas, Minister of Foreign Affairs of Greece,
RCC Newsletter, 14 April 2011

results attained in the priority areas of regional cooperation.

Through its activities on the level of sectorial cooperation and political dialogue, and on the basis of a project-orientated platform generated by the RCC Strategy and Work Programme 2011-2013, RCC sought to give an impetus to cooperation and dialogue among its members, as well as bring the region together around result-orientated recovery and development projects.

The countries from the region exhibited support and provided valuable guidance in the process of carrying out various regional efforts. A firm support was registered for the RCC Strategy and Work Programme 2011-2013. The significant impact it has on regional cooperation, and specifically its ability to profile an advanced dimension of RCC's tasks, echoed in discourses of the countries from the region. The institutional mechanism in place within the RCC provided essential guidance and supervision, and served as a platform for constructive interaction between the RCC members. This in turn proved to be an indispensable pillar in the process of initiating many concrete activities and thus intensifying the efforts to implement the RCC Strategy and Work Programme 2011-2013.

A strengthened dialogue of RCC Secretary General and RCC Secretariat with the RCC members represented one of the tools to ensure that regional cooperation remains congruent with the interests of countries from the region and their dedicated ambition to European and Euro-Atlantic integration. The emphasis was placed on ensuring that regional cooperation is not perceived only as a formal political criterion for EU accession but as a genuine need for the countries of the region to live in a stable economic and social environment. Consultations with the RCC members were held on



“The Regional Cooperation Council ... is the most visible sign of new institutional capacity to advance regional as well as local ownership of the policy process.”

Development and Transition, a project of the United Nations Development Programme in Europe and the CIS and the London School of Economics, 13 December 2010

regular basis. This resulted in a greater synergy between the needs of the countries from the region and the regional cooperation as such, in line with the implementation process of the RCC Strategy and Work Programme 2011-2013. The consultations have increased the awareness about the importance of having a wider representation in the processes of regional cooperation, particularly as the region experiences a sustained positive trend at bilateral and multilateral levels.

The relationship between RCC and SEECP has been invaluable in promoting regional cooperation, particularly given their specific roles firmly embedded in the SEECP Charter on Good Neighbourly Relations, Stability, Security and Cooperation in South East Europe and the RCC Statute. RCC exercised its function under the political guidance of the SEECP. Its representatives participated in political and sectorial events of SEECP, consulted and coordinated its activities as well as preparations of the RCC Board meetings with the SEECP Chairmanship-in-Office.

In Mid-2010, the practice of quarterly coordination meetings between the SEECP Troika, the RCC Secretariat and EU institutions started. These meetings aim to advance the coordination of activities between SEECP and RCC, with a view to achieve maximum possible functional and substantial correlation and coherence between the SEECP Chairmanship-in-Office programme and the triennial RCC Strategy and Work Programme. The coordination meetings provided ground for undertaking practical steps in streamlining regional taskforces/initiatives, such as the preparation of a questionnaire containing targeted questions that focus on achieved results and added value of the regional taskforces/initiatives, track their progress and provide further guidance, as well as ensure synergetic cooperation in the context of changes in the Chairmanship-in-Office of the SEECP.

In order to further affirm the principle of regional ownership, synergy of SEECP as a “political umbrella” and RCC as “its operational arm” need to continue with the same ascendant levels of cooperation. Past and current experiences prove that a regular interaction of the two levels of regional cooperation is a prerequisite for synergy of RCC’s work programme and programme of activities of the SEECP Chairmanship-in-Office. The effects are maximized only when the two programmes underpin each other, by providing political support

and guidance on one hand, and on the other, by translating political guidance into practical regional cooperation driven by concrete results.

The series of achievements include cooperation in the field of media, where the media development work of RCC Secretariat, as an overarching activity, is seeking to bring about a change which would foster transition and development of the media sector in South East Europe towards free and professional media in the region. In doing so, European standards and values, needs and aspirations of the countries of South East Europe, and RCC's own resources are kept in mind.

The focus was primarily on supporting freedom and independence of public service media in South East Europe, within a pluralistic media landscape, given their strong role and function in a society, and large influence. In this context, together with the European Broadcasting Union, the RCC Secretariat brought together broadcasters, government officials, regulators and experts from the region to an international conference 'Addressing Europe's Digital Divide: Towards Sustainable Public Service Media in South East Europe'. The participants agreed "to promote and adhere to the values and principles of public service media, as recognized by European institutions, including the Council of Europe and European Union" and that the region's public service media should become the engines of technological, economic, political, and cultural development of their countries, supporting integration in the European Union. In line with the

“The new RCC Strategy and Work Programme for 2011-2013 paves the way for increasing the effectiveness and efficiency of regional cooperation structures, and the Commission is happy to be in the position to endorse it. Efforts should now focus on implementing it efficiently and promoting result-oriented activities.”

Stefan Fuele, EU Commissioner for Enlargement and European Neighbourhood Policy, RCC Annual Meeting, 22 June 2010

conference conclusions, the European Association of Public Service Media in South East Europe was established as a non-profit professional body of public service media in the region. The Association has nine working groups: for radio, television, new media, digitalisation and technology, digitalisation of archives, coproduction, relations with European institutions, education, and legislation and financing.

An active pursuit of the EU enlargement policy remained a strategic asset for the region and the EU, taking into account the importance of regional cooperation as an essential element of the Stabilisation and Association Process.

The conclusions of the EU Foreign Affairs Council on the Western Balkans, adopted in June 2010, welcomed the commitment of the Western Balkans to further strengthen regional cooperation on the basis of the principles of inclusiveness and regional ownership. The conclusions also recalled the importance of regional cooperation and good neighbourly relations. Moreover, the European Commission in its Enlargement Strategy and Main Challenges 2010-2011 acknowledged that the Western Balkans made important progress in regional cooperation and stressed the need to ensure its inclusiveness. The Enlargement Strategy underlined that RCC has a key role in guiding and monitoring regional cooperation and placed an emphasis on the need to focus on the implementation of its Strategy and Work Programme 2011-2013. The Enlargement Strategy further stressed the important role of RCC in monitoring whether IPA and other donor funding reflects regional cooperation priorities.

RCC was called upon by the European Commission (EC) to play a role in associating the Western Balkans with the Europe 2020 priorities. With support of EC and the Council of Europe, RCC established the Task Force on Culture and Society, to support the rehabilitation of the cultural heritage in the context of the Ljubljana Process.

On 14 December 2010, the Council of the EU encouraged all parties concerned to address bilateral issues, falling outside the areas of EU competence and/or contractual obligations towards the EU, in a constructive spirit and taking into account the overall EU interests. The Council welcomed further progress regarding reconciliation and regional cooperation and stressed that the inclusiveness of this process must be ensured by all parties



concerned. The Council welcomed the adoption of a new comprehensive and operational RCC Strategy and Work Programme 2011-2013 and encouraged RCC to focus on its implementation in active cooperation with SEECF. It reaffirmed that regional cooperation remains an essential element of the Stabilisation and Association Process, fostering good neighbourly relations and contributing to reconciliation and a climate conducive to addressing open bilateral issues and the legacy of the past.

These assessments and consequent recommendations augmented, among other things, the capacity of the ongoing processes within regional cooperation to produce tangible results, cope with the multifaceted challenges occurring in the region and guide the region in its efforts to maintain all-inclusive and project orientated features of regional cooperation. The dialogue of the RCC Secretary General and the RCC Secretariat with EU institutions played an important role in this context.

Another important development in this period constituted the agreement of the European Commission to extend its financial assistance to the RCC Secretariat for another three-year period.

The regular engagement that the RCC Secretariat sustained with the EU Council Presidencies had a valuable supportive effect for the regional cooperation. The overall assessment of cooperation between the RCC Secretariat and the Spanish, Belgian and Hungarian EU Council Presidencies is positive. The successful organisation and particularly the outcome of the High-Level EU-Western Balkans Meeting, organized by the Spanish EU Council Presidency in Sarajevo, was a confirmation of the political will of EU to continue with the enlargement agenda. Moreover, it represented an opportunity for EU to reaffirm the European perspective of the candidate and potential candidate countries for EU membership. The cooperation with Belgian and Hungarian Presidencies produced a valuable

framework for discussing relevant activities and for reflecting on future plans pertaining to regional cooperation.

The interconnection between regional cooperation and the European agenda remained vital. The work of the RCC Secretariat benefited enormously from it as well as from the experience of its members from South East Europe that are already members of EU.

Fostering European integration of the region and further enhancing regional cooperation in SEE through a regionally owned and led framework remains an overarching feature of RCC.

Valuable results were attained in this direction, with Albania and Bosnia and Herzegovina joining Montenegro, Serbia as well as The Former Yugoslav Republic of Macedonia as beneficiaries of the EU visa-free regime.

The institutional relations of the RCC members from the region with EU continued to move forward. Croatia is well-advanced in its accession negotiations, the completion of which would give additional impetus to other EU candidate and potential candidate countries from the region. The positive trend continued, with Montenegro being confirmed as a candidate country for the EU membership. The European Commission recommended opening the accession negotiations with The Former Yugoslav Republic of Macedonia. However, solving the name issue is holding back the opening of the negotiations. Turkey is continuing the accession negotiations with EU. The opinion on Albania's application for the EU membership was adopted and Serbia handed over its reply to the European Commission's questionnaire. The European aspirations of the Republic of Moldova are being realized within a different institutional framework, the European Neighbourhood Policy. The country is advancing in its negotiations on the Association Agreement with EU.

The institutional relations of the RCC members from South East Europe with EU are diverse. Some countries are EU members, others are candidates and potential candidates, and the European perspective of some is related to different instruments. The gist of this diversity rests on the specific value and contribution all of them are bringing into RCC. This allowed RCC to develop an inclusive framework, respond to different occurring needs in the region and provide a platform for tackling issues of common concern.



The RCC Secretariat, by sending the appropriate messages and working in a flexible, all-accommodating manner, encouraged all members to take pragmatic steps with regard to their bilateral issues within the framework of regional cooperation. Certain differences however affected the work of the RCC Secretariat, on technical and substantial level. The participation in RCC-related meetings and activities of members of delegation of the United Nations Interim Administration Mission in Kosovo on behalf of Kosovo in accordance with the United Nations Security Council Resolution 1244 (UNMIK/Kosovo), who are holders of passports issued by Kosovo authorities, is the case in point. Positive developments occurred in this regard, due to joint efforts within the RCC framework. Bosnia



and Herzegovina, as the host country to the RCC Secretariat, found a lasting solution to enable the entry to its territory with passports issued by Kosovo authorities of members of UNMIK/Kosovo delegation, participants in RCC-related activities.

The RCC Secretariat strived to ensure that the all-inclusive platform serves the best long-term interests of its members from the region. The dialogue held with the members from the region, allowed RCC to highlight the importance of the notions and principles of dialogue, tolerance, solidarity, and coexistence.





2. Developments in priority areas of regional cooperation in South East Europe within RCC framework



2.1. General considerations

The adoption of the RCC Strategy and Work Programme 2011-2013 has had a great impact on promotion and consolidation of regional cooperation in South East Europe. Efforts of the RCC Secretariat to develop a strategic and coordinated approach to the existing initiatives and facilitate creation of new ones to fill the identified gaps have received the needed political support. Therefore, the RCC Secretariat assumed more responsibilities in streamlining and monitoring the regional activities.

Several important developments occurred that have the potential to shape regional cooperation landscape in the medium term. Europe 2020 strategy that was adopted by the European Union has already inspired attempts to emulate its policy goals and targets in the region. The RCC Secretariat intends to use this strategic framework and help regional initiatives to associate themselves with the Europe 2020 strategy. Such efforts are directed towards improving the streamlining process, and, more importantly, increasing the effectiveness of the initiatives, providing better insight at the level of development of policies in the countries and in the region, and assisting the endeavours of the countries in meeting the EU membership criteria. The dialogue with regional initiatives on Europe 2020 Strategy was successfully launched at the Regional Coordination Conference Western Balkans and Europe 2020 - Towards Convergence and Growth, held on 30-31 March 2011, in Brussels, (the Conclusions and Proposed Recommendations of the RCC are attached as Annex I) and further steps

“The RCC has increased local ownership of regional cooperation ... We welcome efforts in areas such as Climate Change, Research and Development, Disaster Management. The new RCC Strategy provides a clear roadmap for the years ahead and should help to make regional cooperation more result-oriented, coherent and rational.”

Catherine Ashton, High Representative of the European Union for Foreign Affairs and Security Policy/Vice President of the European Commission, RCC Newsletter, 14 July 2010

are being taken to help align their work with this strategic framework.

The RCC Secretariat has been widely identified as a regional platform for direct support to bilateral and multilateral cooperation initiatives. When working with regional taskforces and initiatives the RCC Secretariat, through its strategic and coordination/monitoring role, always paid attention to two important principles: fostering synergy and avoiding duplication.

The general assessment is that there was no real duplication of efforts, but the weak point was the lack of effective coordination among regional initiatives. The RCC Secretariat has assumed the responsibility of coordinating and linking the existing regional initiatives to each other and complementing them when needed. Also, a continuous analysis of the current regional cooperation became a featuring component in the implementation of the Strategy and Work Programme, mapping the existing supporting activities and identifying the lessons learned.

2.2. Economic and social development

A relief to the economies of South East Europe was registered, characterized by a relatively stable tempo, and the region has turned to identifying growth models that would meet development needs of the countries and satisfy their desire for closer convergence and integration with the European Union.

Trade

Promoting closer integration of the regional markets continues to be in the focus of regional cooperation efforts and CEFTA 2006 remains instrumental for this process. One of the major accomplishments over the past year was the successful conclusion of negotiations on more liberalized concessions in trade of agricultural products whereby several countries have signed the Additional Protocol to the Agreement this year. Another encouraging development was the agreement on establishment of a multilateral monitoring instrument to assess non-tariff barriers and technical barriers to trade that would hopefully lead to abolishment of certain barriers to trade in the region. CEFTA trade portal has become operational and now provides up-to-date information on trade regulations and formalities in the region.



RCC Secretariat regularly takes part in CEFTA activities and, together with the CEFTA Secretariat, continues to explore further avenues for cooperation, especially in the context of the SEE Investment Committee and the work on regional investment promotion being planned there.

Investment

Promoting competitiveness, innovation and human capital is gaining a central place in policy deliberations in SEE. These themes were also in the focus of SEE Investment Committee (SEEIC) meetings highlighting international best practices to boost innovation and skills in South East Europe. The Regional Competitiveness Initiative, an EU funded project being implemented by the OECD, has helped the SEEIC by providing policy analysis thus feeding the SEEIC proceedings.

Preparations by OECD and the RCC Secretariat are currently underway for a ministerial meeting on investment that is planned to take place in late 2011. The meeting will be dedicated to endorsing the regional ownership of SEE Investment Committee, articulating a new vision for South East Europe that is consistent with the Europe 2020 themes, and providing a mandate to SEEIC to pursue this vision. Such high-level commitment would help provide the basis for broadening SEEIC's scope of work and aligning its actions more closely with the Europe 2020 priorities.

Within its efforts to promote investment in SEE and strengthen its Public-Private Partnership (PPP) Network, RCC co-organized with the Croatian Agency for PPP and UNECE International Conference Building Capacities for PPP in Southeast Europe. The network, established at the Ministerial Conference on Public-Private Partnerships for Infrastructure Development in Southeast Europe in 2009, is intended to coordinate the regional exchange of knowledge and expertise on PPPs, support the assessment of South East Europe's PPP enabling environment and propose measures for its further development and harmonization.

The RCC Secretariat has been a strong promoter of women entrepreneurship in the region. The First Forum of Women Entrepreneurs in SEE, organized by the RCC Secretariat and the Small and Medium-sized Enterprise Development Administration of Turkey (KOSGEB) under the Turkish SEECF Chairmanship-in-Office, is expected to turn into a permanent platform for the exchange of experiences and good practices and promote further integration of women entrepreneurs' networks in the region. The forum is part of a broader effort to start a regional project on promoting women entrepreneurship in South East Europe, as an important source of growth and job creation.

The fourth Annual Working Meeting of the Ministers of Agriculture from South-Eastern Europe called attention to the reforms of agricultural and



rural development policy in SEE countries and to achievements they made in accordance with the EU Common Agricultural Policy (CAP), as well as to a continued regional cooperation and giving strong emphasis on regional trade in agricultural products. The RCC Secretariat regularly participates in the meetings of the Standing Working Group (SWG) on Rural Development and involves representatives of SWG in relevant regional activities organized under the RCC Secretariat's umbrella.

Information society development

Another area where regional cooperation was very intensive in the previous year is the Information Society Development. The meetings of the eSEE Working Group and b-SEE Taskforce have served as a platform to share reports on the status of implementation of different eSEE Agenda Plus and

“The RCC is well-positioned to bring together regional policymakers and the regional economic initiatives and steer their policy objectives and cooperation methods towards Europe 2020. High quality economic dialogue at the regional level can have an impact on national processes and contribute to bringing the region faster to the EU.”

Michael Leigh, Director General for Enlargement, European Commission, RCC Newsletter, 12 May 2011

bSEE Action Plan items. Preparations are under way for a regional ministerial conference with the purpose of evaluating progress and reaffirming commitment to the implementation of eSEE Agenda Plus, aiming to establish a long term vision of ICT development and its contribution to economic and social development in South East Europe. A ministerial meeting would be an excellent opportunity to provide the eSEE initiative with a mandate to pursue broader Europe 2020 priorities, and enable closer convergence of the region with the EU's Digital Agenda for Europe. The RCC Secretariat will continue to strongly support the eSEE process as well as other initiatives in the area of information society development, such as the Centre for eGovernance Development and the SEE ICT Forum.

Social development

Regional cooperation in social development has fluctuated; while there have been no follow up meetings of representatives of ministries in charge of labour and employment in the context of the Employment and Social Policy Network due to the lack of initiative and financial support, public employment services have continued to meet on a regular basis. Furthermore, regional cooperation in the area of social security has witnessed intense activities in the context of regional programme on Social Security Coordination and Social Security Reforms.

The third Ministerial Conference on Social Security Co-ordination and Social Security Reforms in South East Europe approved the Budva Declaration in which signatory countries agreed to work together for the improvement of social security rights, further improve the implementation of social security coordination instruments, and cooperate so as to facilitate citizens' access to social security rights in the entire region.

The Centre of Public Employment Services of Southeast European Countries (CPESSEC) continued its work on strengthening regional dialogue and strategic partnership related to the areas of decent work and employment policy. Trade unions from the region had an intensive curriculum of activities aimed at sharing knowledge, increasing capacities and identifying joint actions. Employers' organisations, on the other hand, have been less active in their regional activities due to financial and human resource constraints. Social dialogue at the regional level still remains a challenge.

At the International Conference Social Entrepreneurship: A Vector of Change in the EU, the RCC Secretariat was the co-organizer of the panel discussion on social entrepreneurship in South East Europe. The RCC Secretariat will explore the opportunity of organizing a preparatory meeting for the establishment of a regional forum with government officials, financial institutions, civil society organizations and social entrepreneurs from the region in the framework of Social Agenda for the Western Balkans 2020. Further steps would include establishment of a regional social enterprise task force to act as a secretariat for the forum (offered to be located in and supported by Slovenia) and the setting up of a networking portal.

The RCC Secretariat intends to intensify regional cooperation in the social domain and in that context prepared a roll-out of the process to develop a regional agenda for social policies in SEE - Social Agenda 2020 - that will be looking into available policy options in the area of employment, social inclusion, health, education, social dialogue and others. The process would take place under the Europe 2020 context and would aim to provide a platform for benchmarking social policies in the region and exchanging best practices between the SEE countries and EU member states in a coherent manner.

Health

Cooperation in the area of health has been very active. The SEE Health Network (SEEHN) is currently in the process of establishing a new Secretariat in Skopje, and has also been preparing and coordinating events during the past year that should lead to the 3rd SEE Ministers of Health Forum 'Health in All Policies in the SEE: A Shared Goal and Responsibility', which will be co-organized by RCC. Two major regional

publications were prepared: 'Evaluation of a decade of regional cooperation in public health in the SEE' and 'Health in All Policies in the SEE - current status, challenges, and recommendations for the future'. The RCC Secretariat will continue its support to the network by providing political support and promoting lateral connections to related regional initiatives.

2.3. Infrastructure and energy

Regional cooperation in the area of energy and infrastructure proved to be the key topic for consideration and discussion at a variety of events organized throughout the region. It is mainly taking place under the umbrellas of key regional infrastructural cooperation frameworks: the Energy Community Secretariat, the South East Europe Transport Observatory and the Regional Environmental Network for Accession. These frameworks are well-established and strongly supported by both the European Commission and the beneficiaries. However, the RCC Secretariat has worked to enhance coordination and cooperation between these frameworks and to promote necessity of a more holistic, integrated approach in addressing infrastructure development issues.

Energy

The RCC Secretariat managed to fill some of recognized gaps in the regional energy and infrastructure cooperation based on gap analyses performed. In that respect, more involvement of parliamentarians in regional energy cooperation was supported through tailor-made workshops for parliamentary committees responsible for energy in the RCC members from SEE and other related activities. RCC continued to promote sustainable energy development in the region as the key prerequisite of the 'green economy' concept by



“Regional integration and cooperation will remain essential for each country of the region on its path towards EU membership. This is in particular true for large energy and transport projects, essential to support the economic development of the region. The Regional Cooperation Council, together with the existing sectoral cooperation bodies, will contribute to timely political decisions on these projects and we very much welcome its enhanced role for the Western Balkans region in close coordination with the Western Balkans Investment Framework.”

Matthias Kollatz-Ahnen, Vice-President, European Investment Bank, RCC Newsletter, 14 April 2011

backing implementation of the Sustainable Energy Development Regional Initiative (SEDRI), jointly launched by RCC and CEI.

The Energy Community (EnC), having three operational platforms (national, regional and pan-European level) of the energy market integration, is the major hub for energy cooperation between the countries in the region and between them and EU. The Energy Community Secretariat (ECS) is responsible for reviewing the proper implementation of the Energy Community Treaty (ECT) by the Contracting Parties, while the European Commission plays the role of a general coordinator under this Treaty.

The importance of cooperation within EnC has opened a possibility for expanding the Treaty both geographically and substantially. Ukraine became a contracting party to the Treaty on 1 February 2011, while Armenia has applied to become an observer. EnC turned into a key component for a strong international partnership with EU's neighbours.

The Contracting Parties have agreed to start implementing parts of the Directive 2009/28/EC on the promotion of renewable energy and the 'Third Package' on the internal market in electricity and

gas on a voluntary basis, as a first step, following recommendations issued by the Ministerial Council of EnC. Concrete *acquis* in relation to oil stocks is under consideration for being implemented. Implementation of the most relevant and mainly updated EU energy efficiency directives that are already a part of EnC *acquis* is of the highest interest. In addition, a coordinated investment strategy needs to be developed and inclusion of further *acquis* should be considered, notably to promote de-carbonization of the energy sector. Efforts are also being made to assist Contracting Parties to harmonize their energy statistics.

The added value of the EnC should be preserved and coordination among all these initiatives is essential to avoid overlapping and double financing.

Priority should also be given to the completion of projects promoting regional approach, such as the setting up of the Coordinated Auction Office for electricity, the construction of a 'Gas Ring' with its feeding pipelines, and possibly the establishment of a Central Oil Stockholding Entity for the region, which are to become the flagships of EnC.

In spite of substantial positive changes in the EnC environment, further steps towards practical development of the energy markets are required. In that respect, it is necessary to fill up the gap between political commitments and full implementation of the ECT *acquis* and ensure enforcement of the adopted rules. EnC is also faced with a challenge determined by a shortage of investment, primarily private investment, as the consequence of a lack of implementation of the rules, small scale of national markets, barriers to competition, particularly in relation to regulated prices, subsidies and weak regulators.

An effective implementation of ECT by the regional countries is of crucial importance in their accession discussions on the Energy Chapter and in providing substantial support by the European Commission and IFIs.

An outstanding role of EnC in relation to aligning the region to the sustainability dimension (EU 20/20/20 targets) of Europe 2020 strategy is played through the operation of the Energy Efficiency Task Force and the Renewable Energy Task Force. Moreover, MB IPA Sector Plan on Infrastructure will, through its Annual Programme 2012, focus on support to

energy efficiency activities and on implementation of the National Energy Efficiency Action Plans. The cooperation of the RCC Secretariat with the EnC, of an all-encompassing nature, primarily aims to plug recognized gaps (cooperation with parliaments and promotion of relevance of ‘bottom-up’ approach for the overall energy sector development primarily by mobilizing civil society and local authorities). Additionally, the role of the RCC Secretariat is complementary in promotion of the ‘green economy’ as a tool for structural changes. Cooperation and communication with a variety of regional energy stakeholders is fundamental for RCC, in order to appropriately represent the region, profile its cooperation with the EnC Secretariat, support IPA Multi-beneficiary programming cycle and other energy cooperation frameworks as well as apply the all-inclusiveness principle.

Transport

The regionally integrated transport system plays an important role in promoting sustainable economic growth and rapid poverty reduction. It requires a regional approach to rehabilitation and development of the system with access to neighbouring and developed markets, thus making the region more attractive for investors and in support of new trade opportunities.

The negotiations on the Transport Community Treaty (TCT) with South East Europe as regards the substance were concluded at the end of 2010. Still, the whole process has been slowed down due to the outstanding issues of political nature. Therefore, all the Parties involved should make further efforts in order to overcome these challenges, given the

“The Regional Cooperation Council is seen to have a role of the key EU partner of great importance for cooperation in South East Europe and finalization of European integration process.”

Rudo Vidovic, Minister of Communications and Transport of Bosnia and Herzegovina, RCC Newsletter, 15 September 2010

results achieved so far in the course of the two years of preparation, harmonisation and negotiation of the Treaty. Once the Treaty enters into force, it is expected to provide opportunities through the establishment of a single transport area, whereby beneficiaries would highly benefit from the regional approach to the reform process, and to accelerate the better inclusion of the SEE Core Regional Transport Network into the Trans-European Network for Transport (TEN-T).

With reference to the EC’s ongoing revision process of the Trans-European Network for Transport (TEN-T), the SEE countries are exploring their core transport network and preparing priority projects that will serve to strengthen both the transport network in the region and ensure a crucial connection with the EU network. The Commission is to bring forward new proposals for a core European ‘multi-modal’ network in 2011 with publication of TEN-T guidelines, maps and financing proposals. Furthermore, EU will provide funding through a single framework to coherently use money in TEN-T, cohesion and structural funds.

In the aviation sector, the SEE countries have continued to make efforts towards the integration of SEE into the EU Internal Aviation Market within the framework of the European Common Aviation Area Agreement (ECAA). As a catalyst for growth and skilled employment, aviation is at the heart of the EU 2020 strategy and its flagship initiatives including Innovation Union, an Industrial Policy for the Globalisation Era and Resource Efficient Europe. Despite the challenges regarding competitiveness, performance and sustainability in air traffic, the countries from the region have to fully implement the Single European Sky legislation, in order to meet future air transport safety, capacity and efficiency needs at regional rather than at national level.



The RCC Secretariat kept up and deepened sound working relations with a variety of partners engaged in regional transport activities, in particular with key regional initiatives - the South East Europe Transport Observatory (SEETO) and the Implementation of Single European Sky in SEE (ISIS) Programme Secretariat.

The RCC Secretariat has explored the possibilities for common coordination of activities on identification of eligible public-private partnership (PPP) projects within the SEETO Multi Annual Plans and liaised with relevant organisations in this area, such as SEE PPP Network established under the umbrella of the RCC Secretariat. Seminars and training on this matter could be jointly organized in order to increase the capacity of national administrations to cope with PPP requirements. Beside this, there is room for organizing joint conferences, seminars and best practice sharing on different transport modes and related topics.

Another area of cooperation is road safety. The aim is to encourage the South East European countries to implement the relevant EU road safety directives, enhance their legislative capacities and raise awareness on critical road safety issues. Strengthening of parliamentary cooperation in this field would also be explored.

As far as cooperation with the ISIS Programme Secretariat (IPS) is concerned, the RCC Secretariat has provided further support to the second phase of the ISIS Programme towards the efficient and timely implementation of the Single European Sky (SES) legislation under the ECAA Agreement. The RCC Secretariat has initiated a consultation process between all stakeholders involved in the programme and promoted consensus on how to overcome some of the difficulties the region currently faces. Furthermore, specific technical events have been organized together to tackle different legal aspects of the Air Traffic Management (ATM) regulation, with the process continuing in the period ahead.

Environment

Regional cooperation in the field of environment takes place under the Regional Environmental Network for Accession (RENA) and focuses on the approximation to the EU environmental and climate *acquis*. At the political level, regional environmental cooperation is achieved through Ministerial meetings, ensuring political commitment

and setting priorities for actions. At the working level, the cooperation is implemented through RENA and its four Working Groups (WGs). The Work Programme for RENA project implementation ends in March 2013 and Progress Monitoring Reports for the regional countries were prepared during 2010. The need to increase the role of civil society organizations in addressing the environmental issues is greatly recognized. This dimension of the regional environmental cooperation is facilitated through the Environment Forum project aimed to support NGOs in their active and constructive role in the enlargement process as well as to develop capacities of environmental NGOs to establish a productive dialogue with national authorities.

The RCC Secretariat has a recognized role in the preparation and implementation of the EU Strategy for the Danube Region (EU SDR) to which it contributes by bringing an integrated 'holistic' regional perspective into various sectorial initiatives; mobilizing local authorities, civil society and media; and ensuring adequate inclusion of the region. There is room to improve coordination between different initiatives and projects in order to avoid overlapping of the efforts. This improved coordination should be established for regional climate change adaptation activities taking into account that the region has already been faced with irreversible changes of climate conditions. In that respect, the RCC Secretariat was invited to facilitate networking and establishing better coordination and cooperation between the SEE Virtual Climate Change Centre and other relevant initiatives and projects.

The Network of Association of Local Authorities in SEE (NALAS) promotes the process of decentralisation, builds partnerships to contribute to the reconciliation and stabilization process in the region and contributes to the process of European integration. Its activities are primarily focused on energy efficiency, water, waste water and urban planning. Due to the RCC role concerning EU SDR and compatibility between RCC and NALAS activities, cooperation between RCC and NALAS is deepening and should contribute to establishing better links between NALAS and central governments as well as different EU institutions.

The DABLAS (Danube and Black Sea) Task Force continued to be a valuable instrument to provide platform for cooperation in the area of protection of water and water-related ecosystems in the



Danube and the Black Sea. The International Sava River Basin Commission (ISRBC), primarily dealing with the navigation and environmental aspects, is a success story of regional cooperation with significant potential to replicate its achievements to some other regional sub-basins. Due to a comprehensive ISRBC scope - which is expanding to some aspects of socio-economic development and sustainability - as well as the role of ISRBC recognized by the MB IPA Sector Plan on Infrastructure and EU SDR and related Action Plan, cooperation between the two organisations increased during the reporting period.

The Regional Environmental Centre (REC) accumulated valuable experience and knowledge in relation to the regional environmental cooperation. With its strategic goal to promote in practice good governance and to facilitate the transition towards a 'green economy', it is recognized as a relevant partner for the RCC Secretariat.

An effective cooperation with and between RENA, DABLAS, ISRBC, REC and the International Commission for the Protection of the Danube River (ICPDR) is expected to substantially contribute to the appropriate implementation of the EU Strategy for the Danube Region.

The enhanced regional cooperation in terms of transfer of experience of more advanced regional members to the ones facing problems and delays in transposing the environment legislation is of great importance.

2.4. Justice and home affairs

Cooperation in the field of Justice and Home Affairs has registered improvements, despite problems that have persisted in the region. The crime phenomenon at the regional level adapted to the global crises and new forms of criminality emerged. Migration, legal and illegal, has created pressures on borders and endangered post-visa liberalization process. Trafficking in human beings, drugs and stolen vehicles, smuggling of cigarettes or other merchandise flourished. Tax evasion, cyber crime, economic frauds, and frauds to EU funds increased. The recruitment of terrorists, especially in immigrant communities, became a threat. Justice reforms were slow and the public trust in justice and administration diminished.

“The RCC Secretariat facilitated and coordinated the complex Regional Strategic Document [on justice and home affairs] drafting process. Also, the expertise and professionalism of the Secretariat’s experts was of crucial importance in achieving the consensus on all matters.”

Laura Corduta Kovesi, Prosecutor General of Romania,
RCC Newsletter, 15 March 2011

“The [Regional Cooperation] Council’s role as a leader in South-eastern Europe is evident in the social, political and economic progress we continue to see in the region. The United States is pleased to participate as a member of the Regional Cooperation Council Board and to support RCC activities.”

Ambassador Ian Kelly, United States Mission to the Organization for Security and Co-operation in Europe (OSCE), OSCE Permanent Council session, 14 April 2011

To obtain tangible results and bring sustained improvements in the field of the rule of law, the Regional Strategic Document (RSD) and Action Plan on Justice and Home Affairs 2011-2013 was initiated by the RCC Secretariat and prepared in cooperation with all the stakeholders. The aim of the document is to provide an integrated, coherent and transparent regional cooperation, guidance, harmonisation of donors’ activities, including avoiding overlapping and duplication in an environment of multitude of strategies and programmes.

The SEECP Ministers of Justice and Home Affairs endorsed, in March 2011, the RSD assuming regional ownership, entrusting and making aware the national judicial authorities on their implementing, updating and monitoring responsibilities, to be executed together with EU and other international partners.

The RCC Secretariat and the European Commission shared a commitment in promoting initiatives that increased regional cooperation and helped Western Balkans countries to align their judicial systems and law enforcement structures to international and EU standards.

A range of regional activities and structures have been developed with the involvement of the RCC Secretariat. These include: the setting up in the Western Balkans countries of the International Law Enforcement Coordination Units (ILECUs); the establishment of the Integrity Experts Network (IEN) within the Regional Anticorruption Initiative (RAI) Secretariat; the establishment of the South East European Law School Network (SEELS) in Skopje;

the network of the Heads of the Consular Sections from SEECP Countries; the network for cooperation between border police on international airport border crossing points within the Migration, Asylum, Refugees Regional Initiative (MARRI); the Women Police Officers Network (WPON) and the Western Balkan Initiative on the Police Developmental Aid.

Fighting organized crime

Stronger regional response was given in combating dangerous forms of criminality and in particular in fighting organized crime which is a core strategic priority in justice and home affairs area. The RCC Secretariat focused on developing convergent and integrated activities among different regional structures of police and law enforcement, using the existing normative framework defined by the Police Cooperation Convention for Southeast Europe (PCC-SEE, Vienna 2006), and the Convention of the Southeast European Law Enforcement Centre (SELEC, Bucharest 2009).

The RCC Secretariat strived to enhance cooperation between the police, prosecution services and the judiciary. Its main efforts were directed towards the promotion of direct communication and mutual exchange of information, increasing trust and coordination among regional, EU and international actors, ensuring strong support of regional organisations in the implementation of regional strategies.

A visible progress has been achieved. ILECUs have been established in all Western Balkans countries. The RCC Secretariat is implementing strategic steps (coordination of operations, legal provisions and uniform organisation) necessary to harmonize ILECUs’ activities with the existing regional police and prosecutors’ cooperation framework. Transformation of SECI Centre for combating trans-border organized crime into South East European Law Enforcement Centre (SELEC) started: six countries ratified the Convention and the IPA-financed project ‘Police Cooperation: Regional support to strengthen the SECI/SELEC for combating organized crime organized’ has been launched. In their capacity as members of the SELEC Advisory Group, EC and RCC share the vision of EUROPOL’s role in the future SELEC: EUROPOL has a driving position as the EU body for fighting serious crime; the need to avoid duplication of roles and tasks has been met, providing necessary programming and operational complementarities.

The existence of direct links between ILECU and the PCC-SEE has been confirmed by the 2nd Meeting of the Committee of Ministers of Interior under the PCC-SEE. The Organized Crime Threat Assessment for South-Eastern Europe (OCTA-SEE), prepared by SECI Centre/SELEC and EUROPOL, increased the motivation of the Western Balkan countries to face future challenges in the implementation of EU standards. OCTA-SEE has been also recognized by the PCC-SEE Committee of Ministers as the implementation of Article 7 of the Convention.

Since 2010, and through operational meetings, SECI/SELEC and the Central Asian Regional Information and Coordination Centre (CARICC) cooperate in combating trafficking of drugs, psychotropic substances and their precursors, through control of delivery operations, analytical work, and bridging measures among cases of INTERPOL, UNODC, US agencies, EUROPOL, and individual EU countries.

The RCC Secretariat and the Southeast European Prosecutors Advisory Group (SEEPAG) explored options for improving cooperation with the Western Balkans Prosecutors Network (WBPN) and, as a first step, common meetings between the two networks have been agreed.

The Western Balkan Network on the Police Developmental Aid was established in order to address the lack of coordination at the level of projects in the field of police cooperation under the German Federal Police initiative. RCC, as a member of the network, has the role to integrate and disseminate the information related to regional projects. The network identified specific opportunities for mutual support and establishment of partnerships in the context of police development assistance and EU projects.

The close cooperation among RCC, SEPCA, UNDP/SEESAC, DCAF and the OSCE Mission to Serbia contributed to the institutionalisation of the Women Police Officers Network (WPON) in South East Europe.

Enhanced cooperation between the RCC and OSCE structures, in the field of police reform and modernisation, in particular with the Strategic Police Matters Unit (SPMU) materialized with RCC's active participation in OSCE events (2010 OSCE Annual Police Experts Meeting and OSCE Review Conference, 2011 Regional Co-ordination Meeting of SEE Field Operations on Regional Organized Crime



and other Transnational Threats), and co-organizing activities such as the 2010 Regional Workshop on Democratic Policing - Organizational and Managerial Issues in the Police.

In 2010, INTERPOL adopted the Strategy for the European Region. Its action plan was in compliance with the main areas suggested in the Regional Strategic Document: integrated border management, interoperability, crisis management, cross-border crime, police training, and police capacity building. A particular attention is given to INTERPOL's cooperation with SEE regional bodies.

Fight against corruption

In fighting corruption, the activities of the RCC and the Regional Anti-Corruption Initiative (RAI) were very dynamic. The Survey on fighting high-level corruption, criminal justice system integrity and resistance to corruption conducted by Transparency International Romania, RCC Secretariat and RAI, with support of US Government funds, recognized the existence of corruption and that corruption cannot be dealt only at a national level. The accurate balance between judiciary independence and accountability is crucial for the integrity of the justice system and resistance to corruption.

With RCC Secretariat's conceptual and financial support to RAI, the Integrity Experts Network (IEN) responsible for conflict of interest and assets declaration was established. IEN functions under the RAI Secretariat's support, management, guidance and coordination.

The RCC Secretariat and UNODC continued their strategic partnership within the Regional Programme on Promoting the Rule of Law and Human Security in South Eastern Europe. Under the coordination of the RCC Secretariat, RAI became UNODC's associate

partner in two major regional projects, financed by European Commission: developing of monitoring instruments for judicial and law enforcement institutions in the Western Balkans, and assessment of corruption and crime in the region.

Migration, asylum, refugees

The RCC Secretariat supported MARRI and SEE countries in developing systems for migration management, harmonized with EU and international standards. Good cooperation exists in the framework of SECI/SELEC Centre, MARRI Regional Centre, SEPCA and the PCC Secretariat, consisting of joint actions in prevention and combating illegal migration and the return of persons to the countries of origin. In this context, a cooperation network between Border Police Units on International Airport Border Crossing Points in MARRI members has been established.

MARRI cooperation with UNHCR, IOM and ICMPD has grown stronger. More work should be done on legislation, institutional capacity building as well as on common reception standards for asylum seekers. The support to MARRI in promoting capacity building of the member states in management of asylum and refugee procedures is the core issue.

With support of RCC and MARRI, the SEECF Heads of Consular Services discussed the issues of mutual representation in third countries and Western Balkans biometric identity cards and examined the possibilities of 'common standards' on visa issuance. MARRI started to analyze national legislation in order to identify what could be a common standard.

Minority rights

Within the preparation of the IPA MB Project on the protection of minority rights in the Western Balkans, the RCC Secretariat contributed to the work of the Council of Europe and of the European Commission, by introducing the rule of law and protection of fundamental human rights dimension of non-discrimination.

The RCC Secretariat organized consultations with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Open Regional Fund for South East Europe - Legal Reform, in order to coordinate the activities on a more efficient and effective manner. The South East European Law School Network (SEELS) was established in Skopje, representing further development of the ongoing regional process of Higher Education Reform.

Countering terrorism, cyber security and defence procurement

The RCC Secretariat has contributed to enhancing national coordination and regional cooperation in counter-terrorism and in strengthening the response to terrorism by addressing connections with related criminal activities. In addition, the RCC Secretariat worked intensely to promote the convergences between justice and security cooperation sector and the need of closer coordination at national and regional levels among law enforcement, judicial, intelligence and security structures.

Serious challenges of resource management in defence and security sector urge the development of relevant regional mechanisms of budgeting, control of expenditures and modern procurement systems. In the context of European defence and security systems integration processes, NATO and RACVIAC, with RCC Secretariat and RAI participation, established cooperation on the integrity building and transparency in security and defence procurement as critical issues.

2.5. Security cooperation

Within the field of Security Cooperation there are six initiatives created before the establishment of RCC, with which the RCC Secretariat has built good



working relationships. These initiatives include several RCC members from South East Europe as well as, for some of them, RCC members from outside South East Europe.

These regional taskforces and initiatives have developed relevant security cooperation projects and mechanisms of their own, or with international partners, some of which the RCC Secretariat has been associated to directly or indirectly.

The RCC Secretariat has based its working links with the six Regional Initiatives considering their different status: a) the RACVIAC regional centre, based on an Agreement recently re-negotiated and under ratification process; b) the regional secretariat of the Disaster Preparedness and Prevention Initiative (DPPI), functioning on a Memorandum of Understanding; c) the project-based team of the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC); d) the South East Europe Defence Ministerial (SEDM); e) the A5 (US-Adriatic Charter); and f) the South Eastern Europe Clearinghouse (SEEC).

The continuous contacts and cooperation established with these initiatives is proving that the overall regional cooperation is improving the coordination in order to make a better use of the existing synergies and to avoid unnecessary duplication of efforts that consume all kind of resources.

The RCC Secretariat will further consolidate the normative framework for regional cooperation taking into account the needs of regional partner initiatives and their role in implementation of the Strategy and Work Programme 2011-2013. The RCC Secretariat will further develop close relations and sign adequate cooperation agreements with a number of the initiatives.

Security and defence cooperation

The role of the RCC Secretariat and added value in regional security cooperation are targeted to preserve and develop the level of confidence, further stabilize and expand the cooperation by: a) establishing a sustainable, integrated and transparent regionally owned cooperation mechanism among governmental security sectors; b) preserving and streamlining the effective and value-added regional taskforces and initiatives that prove their capabilities to deliver tangible results; c) initiating new low cost initiatives, with high impact on confidence building

“The Regional Cooperation Council has a crucial role in stimulating regional cooperation in South East Europe. It has been very successful in identifying common regional needs and in translating those into concrete projects.”

Gordan Jandrokovic, Minister of Foreign Affairs and European Integration of Croatia, RCC Newsletter, 16 December 2010

and transparency; and d) further streamlining the scarce out-of-the-region resources with IFIs and donor community, in activities with obvious added value to security building measures and effective influence on security sector reform.

In this respect, the RCC Secretariat initiated implementation of several important activities. Amongst others, the following should be mentioned: the development of the important regional mechanism of cooperation among the SEE Chiefs of Military Intelligence (SEEMIC) with full support of the EU Military Intelligence Directorate; the consultations and preparations for the first conference of the SEE Forum of the Chiefs of National Security Authorities (SEENSA), with the Bulgarian hosts and with the strong support of the General Secretariat of the Council of the EU/Security Office and the NATO Office for Security; the consultations with international and regional partners for hosting and supporting the first conference of the South East European Counter-Intelligence Chiefs Forum (SEECIC).

Disaster risk reduction

Taking into consideration the importance of improving regional cooperation in the field of disaster risk reduction, the RCC Secretariat took several concrete steps in this direction, such as an active coordination with the European Commission through the DG Enlargement and DG ECHO within the Working Groups related to strategic planning for the IPA Multi-Beneficiary programme; the implementation of the most important regional projects, in particular those linked to the European Union's mechanisms; the direct support to the DPPI Chairmanship-in-Office for implementing a more efficient agenda, especially related to the DPPI Secretariat's reform.

2.6. Building human capital and cross-cutting issues

Ability of the countries in the region to recognize the fact that investing in education, science, research and culture is a growth-friendly investment if delivered efficiently and based on modernized and reformed systems, makes a major impact on the level of their overall development. Strengthened regional approach could increase investment in knowledge triangle and assist building a knowledge-based society through developing human potential and competence, as a major challenge and a priority for the Western Balkans on their path towards the EU accession. Awareness is being raised among the countries from the region on the importance of developing human potential, and benefits of regional cooperation to that aim. This is recognised through their increased interest for involvement in development and implementation of related regional projects, but also in an active participation in respective IPA Multi-Beneficiary Sector Working Group.

Regional initiatives and organisations need to develop a more coherent and result-oriented approach on their own behalf in order to provide tangible added value to common goals of the countries. The RCC Secretariat is strongly devoted to providing its contribution to this complex process. In achieving this goal, there are still a number of issues to be addressed.

Education

The most important development in the area of education is the establishment of the Regional School of Public Administration (ReSPA) in Montenegro, in November 2010, with the major aim of conducting training programmes for officials of the public administrations of the Western Balkan countries. The need of intensive cooperation between RCC Secretariat and ReSPA was mutually recognized and steps in this regard are planned after the completion of recruitment process of the ReSPA team.

The RCC Secretariat has continued its active involvement in the preparatory activities for the project Building Capacity for Structural Reform in Higher Education of Western Balkan Countries (STREW), aiming to facilitate further advances in effective higher education structural reform. The STREW Project, financed from the regional dimension of the EU TEMPUS Programme, and coordinated by the University of Novi Sad, was launched in

“I see the Regional Cooperation Council as a link between countries of the region and international organizations. It proved to be a reliable partner to our region in promoting and achieving priority goals and in creating common cultural area.”

Branislav Micunovic, Minister of Culture of Montenegro,
RCC Newsletter, 15 February 2011

January 2011. The RCC Secretariat is included in the Monitoring Group of the project. A Letter of Intent expressing the commitment to enhance regional cooperation in doctoral education was signed by the rectors of six universities from the region.

The RCC Secretariat co-organized Regional Conference ‘Role of Inspectors in Education Quality Assurance’. On the basis of the conclusions of the Conference, the RCC Secretariat started activities towards organisation of the first regional training for education inspectors, which will gather the most relevant organisations from the region and the EU.

In the area of formal education, the need for an efficient regional mechanism, capable to develop and implement specific projects, became evident. Existing mechanisms, RCC Task Force Fostering and Building Human Capital and Education Reform Initiative of South East Europe (ERI SEE) only partially fit this framework. The Task Force cannot perform as an implementing body and ERI SEE still struggles with the creation of its Secretariat and transition of its seat from Zagreb to Belgrade. Increased efforts of the Host Country in the recent period in accelerating the process of establishment of the Secretariat are nevertheless encouraging.

Lack of regional ownership is still a strong obstacle for appropriate functioning of some regional initiatives. The South East European Centre for Entrepreneurial Learning (SEE CEL) does have a clear mandate and is embarking on important, specific regional projects, but does not have proper legal personality. It is still registered as a domestic NGO, employing only local staff, which brings out the question of long-term sustainability and genuine regional interest in such a structure.

Science and research

The RCC Secretariat focused its efforts on development of optimal model for implementation of the project Regional Strategy for Research and Development for Innovation for Western Balkans (RSRDI). The project has been developed by the experts from the region, under the auspices of the RCC Secretariat, and funded through the MB IPA. The RCC Secretariat has established strategic partnership with future lead partner of the project - the World Bank. The project is expected to be launched at the Science and Research Ministerial Conference, to be jointly organized by the RCC and the World Bank under the auspice of Serbian SEECF Chairmanship-in-Office, in the second half of 2011.

The Western Balkan Countries INCO-NET/Information Office of the Steering Platform on Research for the Western Balkans is a highly useful tool for exchange of ideas and experiences among the EU member states and Western Balkan countries in the areas of science and technology. The establishment of the mechanism inside the Steering Platform for doing research on the modalities, preparing and assisting implementation of significant regional projects, would be of concrete benefit for the enlargement countries in better using existing EU funds and strengthening their own capacities.

Culture

The RCC Board's decision on establishment of the RCC Task Force on Culture and Society enables the RCC Secretariat to take the role of coordinator in the new phase of Ljubljana Process, after 2010. During the SEECF Informal Meeting of the Ministers of Foreign Affairs, in January 2011, the Protocol between the Government of Montenegro and the Regional Cooperation Council Secretariat on the Host Country Arrangements for the Secretariat of Regional Cooperation Council Task Force on Culture and Society was signed. The start-up of the project is to be marked by the constituent meeting of the TF and opening of the Secretariat in Cetinje in June 2011.

Parliamentary cooperation

The need and the interest for streamlining and strengthening parliamentary cooperation in the region were the reasons for the European Commission to include parliamentary cooperation, for the first time, in the framework of the Multi-Beneficiary IPA Strategy 2011-2013 as one of the priority areas of MB IPA Working Group on Public Administration and Governance. Opening a possibility for funding a regional project on parliamentary cooperation in



2012, with the aim to foster systematic cooperation among the parliaments from the region, was recognised as an optimal format for developing well-structured and efficient regional parliamentary cooperation. The European Commission Enlargement Directorate-General and the RCC Secretariat organised the Regional Meeting: Role of National Parliaments in Negotiations for the EU Accession. The participants agreed to pursue the realisation of further activities towards creation of the regional parliamentary project, under the framework of the existing network for cooperation, the Cetinje Parliamentary Forum. The participants adopted Conclusions specifying areas of interest to all National Parliaments, to be tackled by the future regional project. The launching of the regional project in the area of parliamentary cooperation is expected in the course of 2012, after finalizing the proposal in the second half of 2011.

The Regional Secretariat for Parliamentary Cooperation in South East Europe (RSPC) is established and functions under the umbrella of the Speakers of SEECF Parliaments. This format of cooperation should develop more realistic and result oriented approach in order to bring added value to cooperation among main legislative bodies of the SEECF member countries. To this aim, communication between RSPC and the SEECF Chairmanship-in-Office is of crucial importance.

The RCC Secretariat is actively involved in supporting the implementation of the Final Declaration of the 8th Conference of the SEECF Speakers of Parliaments, held in Antalya in 2010 under the previous Turkish SEECF Chairmanship-in-Office. In this context, the RCC Secretariat participated in the first constituent meeting of the SEECF Parliamentary Dimension Working Group, held in Podgorica in May 2011, under the Montenegrin SEECF Chairmanship-in-Office.

3. The way ahead





“RCC is well-placed to exert the needed leadership in promoting regional cooperation.”

Jozefina Çoba Topalli, Speaker of Albanian Parliament,
RCC Newsletter, 16 November 2010

Over the past year, regional cooperation in South East Europe advanced further in terms of its development and consolidation. This ongoing process is driven by the ability of the RCC to gather all interlocutors and instil the importance that all-inclusiveness and result-orientated cooperation has for the entire region and each participating country at this process.

The framework provided by the synergy between the SEECP and the RCC remains pivotal for the ultimate goal of the region to reach peace and security, economic prosperity and full integration into European and Euro-Atlantic structures. The ongoing processes require that this forum be used to its full capacity, in which the interaction between the interlocutors rests on equality and is mutually beneficial.

The positive trends registered over the past year indicated that the countries from the region advanced with regards to European integration. The sustainability of the momentum will be paramount for the endeavour of mapping the entire South East Europe in the EU. Accordingly, streamlining efforts in addressing the Europe 2020 objectives at the regional level are expected to have a great impact on further vision building, designing sectorial strategies and enhancing structural reforms in SEE and Western Balkans in particular.

The initial assessments regarding the pace of the implementation process of the RCC Strategy and Work Programme 2011-2013 have been positive and encouraging. Taking into account that the document is a reflection of the needs and initiatives coming from the region, the RCC Secretariat will continue to work intensively towards their realization. A continued comprehensive support for the work in this context is indispensable. The dialogue held with the RCC members and various stakeholders produced pertinent guidance in the form of recommendations and feedback. This dialogue will be intensified and continued, which will positively determine the

ability of the RCC and all the stakeholders to further ensure progress in the implementation of the RCC Strategy and Work Programme 2011-2013.

The RCC Secretariat will continue to invest all its efforts in achieving more tangible results and added value in the implementation of the activities within its priority areas.

The main task in the period ahead of us will be to work together with all stakeholders involved to translate positive political trends in the region into a sustainable and comprehensive process and deduce concrete development projects so as to address the economic and social needs of the region. This process will further be driven by implementation of the RCC Strategy and Work Programme 2011-2013 as well as by promoting the notion that the region genuinely needs to adopt regional recovery and development approach that would result in pooling together, on the sectorial and functional basis, critically needed regional large-scale projects in the areas where underdevelopment is evident.



“RCC has already become the main interlocutor for international organizations engaged in South East Europe. We are convinced that the RCC’s posture as such will be reinforced in the period ahead.”

Ahmet Davutođlu, Minister of Foreign Affairs of Turkey,
RCC Newsletter, 14 July 2010



ANNEX I

Western Balkans and Europe 2020 –
Towards Convergence and Growth

Conclusions and proposed
recommendations

Brussels, 31 March 2011





Following up on the priority actions from its Strategy and Work Programme 2011-2013, and within the mandate provided by the South-East European Cooperation Process (SEEC), to rationalise and streamline regional initiatives, the Regional Cooperation Council (RCC) Secretariat organized a regional coordination conference titled 'Western Balkans and Europe 2020 - Towards Convergence and Growth', in Brussels, on 30 and 31 March. The meeting, organized to explore the possibilities of further alignment of the region to Europe 2020 policy objectives and principles, gathered over 100 representatives of regional organisations and structures, national authorities from South East Europe, representatives of international financial institutions, international donor agencies and the officials of the European Union institutions.

The conference was organized as a part of the broader process to identify possibilities of closer linkages between the reform efforts in the region and the Europe 2020 strategy; to exchange information between the regional initiatives on their current and planned activities and possible linkages to the Europe 2020 strategic framework; to inform the donor community of the ongoing efforts at the regional level; and to identify support and commitment to mapping out the path for Europe 2020 implementation at the regional level.

Context for the conference

The introduction of a new European strategy for jobs and smart, sustainable and inclusive growth - Europe 2020 has presented new opportunities for the enlargement countries. The strategy confirmed five EU headline targets which will constitute shared objectives guiding the action of EU Member States and the Union as regards promoting employment; improving the conditions for innovation, research and development; meeting climate change and energy objectives; improving education levels and promoting social inclusion.

Preparations of the Western Balkan states for future membership suggest that the Europe 2020 policy goals and implementation methods are also relevant to enlargement countries. Recognizing this aspect of the strategy, the European Commission, in its communication on Enlargement Strategy and Main Challenges 2010-2011 has indicated that it "...welcomes the intention of many enlargement countries to reflect the Europe 2020 strategy in their national reform priorities. The Commission

will associate enlargement countries with initiatives taken at EU level to meet the goals of smart, sustainable and inclusive growth, delivering high levels of employment, productivity and social cohesion." Moreover, the European Commission has called upon the RCC to "set(s) up platforms for dialogue and peer review in ...areas in line with Europe 2020 priorities." It was also indicated that the IPA programming process will take into account the priorities of Europe 2020 strategy.

A number of regional initiatives and task forces already work along the priorities of Europe 2020. Associating these regional structures further with Europe 2020 (both in substance and in governance) could lead to increased effectiveness of the groups and provide better insight at the level of development of policies in the countries and in the region. Strengthened governance mechanisms could secure enhanced translation of regionally-agreed reforms to the national level, improve programming of IPA towards Europe 2020 goals, and, finally, better prepare countries for obligations of membership. Western Balkans and Europe 2020 - Towards Convergence and Growth conference was envisioned as a platform for initiating a dialogue with leaders of regional structures to explore the readiness and capacity to structure their working arrangements closer to the Europe 2020 policy objectives and governance principles.



Main conclusions and recommendations

The conference participants agreed that the economic and social situation in the Western Balkans, although improved in comparison to the past two years, continues to be serious. It has become apparent that it is necessary to continue and intensify reforms and embark on an extensive policy reform agenda in the medium-to-long term. Reforms and investment will be especially needed to: (1) improve the quality of public finance and maintain macroeconomic stability in the face of current challenges; (2) stimulate export-oriented industries and work on removing barriers to intra-regional trade, and improve customs; (3) alleviate persistent problems in the business environment; (4) address the issues of governance, rule of law and the quality of the regulatory framework, (5) enhance skills through education reform and stimulate R&D and innovation; and finally (6) improve infrastructure as one of the preconditions to development.

In this context, the participants concluded that the Europe 2020 strategy has a potential to anchor reforms and facilitate EU accession in the enlargement countries. The strategy's clear communication on the targets to be reached and instruments to be employed can help inform the

efforts of policymakers in the region in developing specific national and regional sector strategies and prioritization of activities. It also enables the creation of a shared regional vision for long-term development of the Western Balkan countries. It was stressed that the countries need to find their relevant targets in the areas of Europe 2020.

In terms of the next steps to be taken, the participants have recommended the following:

- Given its position in the region, RCC is encouraged to assist in the process of associating the current regional activities with Europe 2020 priorities and structures, where such alignment is possible. RCC is expected to engage directly with regional initiatives by establishing a platform for action as well as providing support in better streamlining of regional activities and increased regional ownership. RCC should develop a roadmap for further coordination between RIs, national administrations, IFIs, European Union institutions, and other donors.
- Existing platforms for regional exchange and cooperation are encouraged to further Europe 2020 adoption in the region, wherever possible. Europe 2020 targets should be adapted to regional realities in cooperation with national administrations. A particular importance should be given to governance mechanisms employed by the regional groups, enabling peer reviews, benchmarking, establishment of indicators, exchange of best practice and monitoring and reporting on progress made. The RCC was invited to facilitate this process.
- During the conference, the EC reiterated that it will enhance economic policy dialogue along the lines of Europe 2020 and financially support projects which will be proposed in the Europe 2020 areas.

Finally, the participants concluded that Europe 2020 does not replace the accession process; rather it complements it by providing an opportunity for better functional and sectoral integration of candidate and potential candidate countries into the European structures, thus supporting the ultimate institutional integration.





ANNEX II

LIST OF ABBREVIATIONS

ACE Association of Consulting Engineers of Bosnia and Herzegovina
ACI Airport Council International Europe
AEA Association of the European Airlines
All Adriatic-Ionian Initiative
ALAs Association of Local Authorities
AREC Adriatic Region Employers' Centre
ATM Air Traffic Management
BAC Business Advisory Council
BCSDN Balkan Civil Society Development Network
BRESCE UNESCO Venice Regional Bureau for Science and Culture in Europe
bSEE Task Force Broadband South Eastern Europe Task Force
CAP Common Agricultural Policy
CARICC Central Asian Regional Information and Coordination Centre
CEB Council of Europe Development Bank
CEFTA Central European Free Trade Agreement
CeGD Centre for e-Governance Development
CEI Central European Initiative
CGRS Commission for Global Road Safety
CoE Council of Europe
CoMoCoSEE Council of Ministers of Culture of South-East Europe
COWEB Working Group on Western Balkans of the Council of the EU
CP Contracting Parties
CPESSEC Centre of Public Employment Services of Southeast European Countries
CPF Cetinje Parliamentary Forum
CSOs Civil Society Organizations
DABLAS Danube and Black Sea Task Force
DCAF Democratic Control of Armed Forces
DCP Danube Cooperation Process
DPPI Disaster Preparedness and Prevention Initiative
EAS External Action Service
EASA European Aviation Safety Agency
EBRD European Bank for Reconstruction and

Development
EC European Commission
ECAA European Common Aviation Area
ECS Energy Community Secretariat
ECT Energy Community Treaty
EEAS European External Action Service
EHEA European Higher Education Area
EIB European Investment Bank
ELFA European Law Faculty Association
ENIC European Network of Information Centres
EnC Energy Community
ERF European Union Road Federation
ERI SEE Education Reform Initiative for South Eastern Europe
ERSO European Road Safety Observatory
eSEE Initiative Electronic South Eastern Europe Initiative
EU European Union
EUMS European Union Military Staff
EUSDR EU Strategy for the Danube Region
FATF Financial Action Task Force
FES Friedrich Ebert Foundation
GIZ Deutsche Gesellschaft für Internationale Zusammenarbeit
GRECO Group of States against Corruption
GRSP Global Road Safety Partnership
GS Council of EU General Secretariat of the Council of the European Union
GTF Gender Task Force
ICDT International Centre for Democratic Transition
ICMPD International Centre for Migration Policy Development
ICPDR International Commission for the Protection of the Danube River
ICT Information and Communication Technologies
IEN Integrity Expert Network
IFC International Finance Corporation
IFIs International Financial Institutions

IFIAG International Financial Institution Advisory Group

IIECUs International Enforcement Coordination Units

ILO International Labour Organization

IOE International Organization of Employers

IOM International Organization for Migration

IOs International Organisations

IPA Instrument for Pre-accession Assistance

IRI Investment Reform Index

IRF International Road Federation

IRTAD International Road Traffic and Accident Database

ISIS Implementation of Single European Sky In South East Europe

ISRBC International Sava River Basin Commission

ITUC International Trade Union Confederation

JPM Joint Parliamentary Meeting

KOGSEB Small and Medium-sized Enterprise Development Administration of Turkey

MARRI Migration, Asylum, Refugees Regional Initiative

MB IPA Multi-Beneficiary Instrument for Pre-accession Assistance

MoD Ministry of Defence

MONEYVAL Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism

MoU Memorandum of Understanding

NALAS Network of Associations of Local Authorities of SEE

NARIC National Academic Recognition Information Centres

NATO North Atlantic Treaty Organization

NGO Non-governmental Organisation

NOS NATO Office of Security

OECD Organisation for Economic Co-operation and Development

OLAF European Antifraud Office

OCTA Organized Crime Threat Assessment for South East Europe

OSCE Organization for Security and Co-operation in Europe

PCC Secretariat Police Cooperation Convention Secretariat

PE Private Equity

PPP Public Private Partnership

PSO Peace Support Operations

RACVIAC Centre for Security Cooperation

RAI Regional Anticorruption Initiative

RCC Regional Cooperation Council

RCC TF FBHC RCC Task Force Fostering and Building Human Capital

REC Regional Environmental Centre for Central and Eastern Europe

RENA Regional Environmental Network for Accession

ReSPA Regional School of Public Administration

RI&O Regional Initiatives and Organisations

RIIs &TFs Regional Initiatives and Task Forces

RNIPA Regional Network of Investment Promotion Agencies

RSA Road Safety Audits

RSD Regional Strategic Document

RSRDI Regional Strategy for Research and Development for Innovation in Western Balkans

RSI Road Safety Inspection

RSPC SEE Regional Secretariat for Parliamentary Cooperation in South East Europe

RTD Research and Technical Development

SAP+ Stabilization and Association Process Plus (cumulation zone with EU, EFTA, Western Balkans and Turkey)

SECE CRIF South East and Central European Catastrophe Risk Insurance Facility

SECI Southeast European Cooperative Initiative

SECI Centre Southeast European Cooperative Initiative, Regional Centre for Combating Organized Crime

SEDM South East Europe Defence Ministerial

SEDRI Sustainable Energy Development Regional Initiative

SEE South East Europe

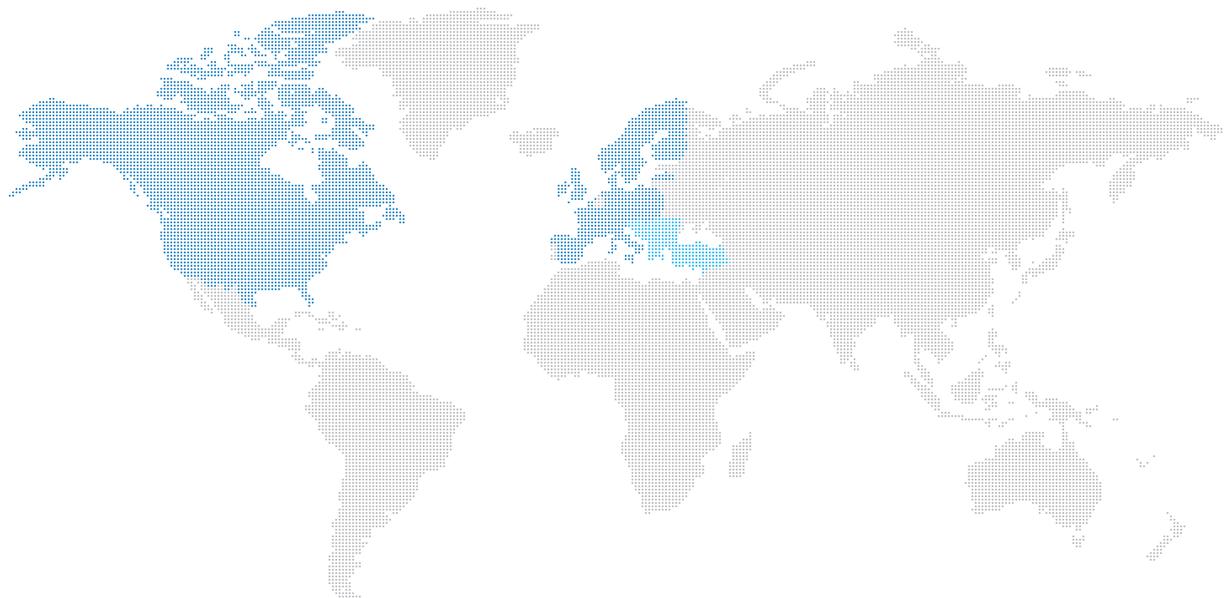
SEEC South East Europe Clearinghouse
SEECIC South East European Counter-Intelligence Chiefs Forum
SEE CEL South East Europe Centre for Entrepreneurial Learning
SEECP South-East European Cooperation Process
SEE-ERA.NET South East European - European Research Area Network
SEE-ERA.NET PLUS South East European - European Research Area Network Plus
SEEFREC SEE Firefighting Regional Centre Network
SEEHN SEE Health Network
SEEIC South East Europe Investment Committee
SEELS South East European Law School Network
SELEC Southeast European Law Enforcement Centre
SEEMIC South East Europe Military Intelligence Chiefs
SEE MoD-GS South East Europe Ministries of Defence and General Staffs
SEE NSA National Security Authorities of South East Europe
SEE PPP Network South East Europe Public Private Partnership Network
SEEPAG Southeast European Prosecutors Advisory Group
SEPCA Southeast Europe Police Chiefs Association
SEESAC South East Europe Small Arms and Light Weapons Clearinghouse
SES Single European Sky
SEETO South-East Europe Transport Observatory
SME Small and Medium-sized Enterprise
SMEM Serbian Ministry of Energy and Mining
SPMU Strategic Police Matters Unit
SSR Security Sector Reforms
STREW Structural Reform in Higher Education in Western Balkans Countries
SWG RRD Standing Working Group on Regional Rural Development
SWP Strategic Work Programme
TACSO Technical Assistance for Civil Society

Organizations
TCT Transport Community Treaty
TEN-T Trans-European Transport Network
TF Task Force
ToR Terms of Reference
UNDP United Nations Development Programme
UNECE United Nations Economic Commission for Europe
UNESCO United Nations Educational, Scientific and Cultural Organization
UNFCCC United Nations Framework Convention on Climate Change
UNHCR United Nations High Commissioner for Refugees
UNISDR United Nations International Strategy for Disaster Reduction
UNMIK United Nations Interim Administration Mission in Kosovo
UNODC United Nations Office on Drugs and Crime
USAID United States Agency for International Development
VC Venture Capital
WB World Bank
WBPN Western Balkans Prosecutor Network
Western Balkans COSAP Conference of the European Integration Parliamentary Committees of States participating in the Stabilization and Association Process
WHO World Health Organization
WMO World Meteorological Organization
WPON Women Police Officers Network

RCC Members

Albania*
Austria*
Bosnia and Herzegovina*
Bulgaria*
Canada
Council of Europe
Council of Europe Development Bank
Croatia*
Czech Republic*
Denmark
European Bank for Reconstruction and Development
European Investment Bank
European Union (EU), represented by the Troika, consisting of the EU Presidency, the European Commission and the Council Secretariat, as well as the European Parliament*
Federal Republic of Germany*
Finland*
France*
Greece*
Hungary*
International Organization for Migration
Ireland*
Italy*
Latvia*
Moldova*
Montenegro*
North Atlantic Treaty Organisation
Norway*
Organisation for Economic Co-operation and Development
Organisation for Security and Co-operation in Europe
Poland*
Romania*
Serbia*
Slovakia
Slovenia*
South East European Co-operative Initiative
Spain
Sweden*
Switzerland*
The Former Yugoslav Republic of Macedonia*
Turkey*
United Kingdom
United Nations
United Nations Economic Commission for Europe
United Nations Development Programme
United Nations Interim Administration Mission in Kosovo (UNMIK) on behalf of Kosovo in accordance with United Nations Security Council Resolution 1244*
United States of America*
World Bank

*members of RCC Board





Regional Cooperation Council

*The Regional Cooperation Council
promotes mutual cooperation
and European and Euro-Atlantic
integration of South East Europe in
order to inspire development in the
region to the benefit of its people.*

Regional Cooperation Council Secretariat

Trg Bosne i Hercegovine 1/V, 71000 Sarajevo
Bosnia and Herzegovina

Tel: +387 33 561 700 Fax: +387 33 561 701

E-mail: rcc@rcc.int

Website: www.rcc.int