



Economic Conference Montenegro 2026

Panel 1: “One region. One Market. One Reform Agenda.” opening address by RCC Secretary

General Amer Kapetanovic

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Prime Minister, Ministers, Dr Drakić, ladies and gentlemen,

I was asked to provide an impulse for the discussion, so allow me to do it through three messages: the challenge we face, what we have to do, and how Regional Cooperation Council (RCC) can help.

First: the world economy is going through one of the deepest changes in a generation. Tariffs are back. Energy has become a question of security, not only of price. Europe has cut its duty-free steel quotas almost by half and now charges for carbon at its border: rules written for a market we are not yet fully part of, not against us. Artificial intelligence rewards scale.

In the last 10 years we have done things that once looked impossible: no roaming charges within the region; green lanes at our borders/boundaries, used by more than 600,000 trucks in their first year; banks in four of our economies now in the Single Euro Payments Area. We should be proud of them. But we are still struggling with the basics: goods, services and people moving across our borders/boundaries do face interruption, and our market remains fragmented. Our trade with the European Union (EU) reached around 88 billion euros last year, more than double a decade ago. Yet, according to the European Commission, our economies stand at around 35 percent of the EU average. At today's growth rates, the OECD estimates that full convergence with the EU would come two generations away.

Second: what it takes to scale up. We are not empty-handed. The Berlin Process gives us the political framework. The Growth Plan opens parts of the European single market before membership, with funding tied to reforms. The Common Regional Market (CRM) gives us a plan our leaders have endorsed. The question is whether we use their full potential. And if the answer is yes, then we need to:

- Finish the CRM basics, and quickly. An agreement signed but not implemented is a promise no investor will count. We have agreements that make it easier to travel, study and have qualifications recognised, yet only 6 percent of businesses in the latest Balkan Barometer have hired someone from elsewhere in the region.
- Offer ourselves as one location. Investors and European programmes should see one connected space, not six competing offers.
- Connect our energy. Without energy that is affordable, reliable and increasingly clean, there is no competitive industry, and without competitive industry, there is no convergence.
- Align early. Norway, Iceland, Liechtenstein and Switzerland are not EU members, yet they are exactly the four countries exempt from Europe's carbon charge at the border, because their carbon pricing is part of, or linked to, the European system. Alignment brought them access. Our electricity could qualify too if we couple our power markets with the EU's and price carbon on equivalent terms by 2030. Until then, the Energy Community estimates the cost for our economies at more than one billion euros a year.
- Stay part of Europe's connectivity. Through Global Gateway, Europe invests in networks reaching across the Black Sea to Central Asia and towards the Eastern Mediterranean. Not out of charity, but out of strategic interest. Our task is to remain part of that interest.

Third: what is RCC with our partners trying to do? Our leaders entrusted us with coordinating the Common Regional Market which is still far from full implementation mainly due to complex political situations and quite sluggish administrative procedures.

In London last year, our leaders endorsed 17 concrete RCC-led deliverables. We did not leave it there. Together with all six economies, we are now preparing their follow-up for the Leaders Summit next month. It follows the path of a company from an idea to the market. For those starting out, there will be a regional facility that gives young start-ups mentoring, contacts with investors and access to finance across the region, and a framework that helps small firms manage their money, because many small businesses fail on cash flow, not on their product.

For those ready to invest, there will be a roadmap to cut administrative steps and move procedures online, because an investor wants to know three things: what is required, who decides, and how long it takes. An RCC-commissioned study estimates that ambitious reforms could attract up to 7.7 billion euros more every year.

Alongside it, we are preparing one showcase of more than thirty strategic projects from across the region: one location, not six separate trips. And here in Budva we launch a partnership between industrial parks in our region and in the EU. What follows the signature will decide whether it becomes business.

The package also covers what modern businesses run on. A regional declaration to simplify telecom permits, because the village waiting for fast internet is usually waiting for a permit, not for cables. A roadmap for artificial intelligence: almost one in three of our citizens already use AI tools, and our institutions and small firms need to keep up. A regional tourism facility, so we sell this region the way visitors experience it, as one journey.

And I am telling you just a fragment of it, with a very big hope that it will be endorsed by the leaders in the upcoming Summit and that no political obstacles will prevent what is obviously common good.

Every government in this region has committed to economic growth for its citizens, and rightly so. But growth needs scale and access to large markets, and that can only be achieved through common regional endeavour.

We all clearly made our European choice. But there is one more choice no one else can make for us: fragmentation or scale. Fragmentation keeps us small, slow and exposed. Scale makes us more competitive, more resilient, and harder to ignore.

RCC will stay with this until companies and citizens feel the difference. Not in declarations and reports, but in their daily lives. The world will not wait for us to agree. So let us agree faster than the world changes.

Thank you.