



Talking Points by the RCC Secretary General *Majlinda Bregu*
at the
Adriatic and Ionian Council of the Adriatic and Ionian Initiative (AII)
and the Ministerial Meeting of the EU Strategy for the Adriatic and Ionian
Region

Honourable Ministers,
Your Excellencies,
Distinguished Guests,

It is my pleasure to join you today at the Adriatic and Ionian Council and the Ministerial meeting of the EU Strategy for the Adriatic and Ionian Region, under the Chairmanship and Presidency of Bosnia and Herzegovina.

I would like to congratulate Bosnia and Herzegovina for their successful Presidency and Chairmanship, whose priorities greatly resonate with our daily work at the Regional Cooperation Council, and our collective efforts in creating a stronger and better region.

Truth said, there are a proliferation of regional initiatives and frameworks in the region, but on the other side, they all converge on bringing the region closer together and with EU. European integration process is not a solitary undertaking but a shared voyage towards progress and stability, bridging the gaps that hinder our collective potential.

The past year, was the spring of a momentum for the Western Balkans region, both in terms of enlargement and regional relations. Four of the six economies took a visible step forward on the EU path - beginning of accession negotiations for Albania and North Macedonia, decision to grant the candidate status to Bosnia and Herzegovina- congratulation and the long overdue decision to grant visa liberalization to Kosovo as of 1 January 2024.

As I was preparing for this Ministerial, I found so much similarities of BiH Chairmanship of EUSAIR with the regional frameworks we as RCC are leading.

Let me highlight just few of them:

1. Connecting WB and EU

Not without noted difficulties, the regional cooperation reached its peak in 2022 with the signing of the three mobility agreements in Berlin, and thus taking a critical step towards establishing a fully-fledged Common Regional Market. We are looking forward, that BiH completes the internal procedures and start the implementation of the agreements together with the other WB economies. That will tear down the last visa regime in the region, removing barriers to mobility of people, students and expands the regional labour pool. These three centrepiece agreements, facilitated by us- are a step forward approximating the regional standards to those of the EU.

Yet, we are hard at work to bring the Western Balkans ever closer to the EU Single Market. Another tangible accomplishment was the signing on a voluntary basis, in the EU-WB Summit in Tirana, of the EU-WB Roaming Declaration that will reduce the prices on data roaming price between the EU and the Western Balkans as of October 1st 2023.



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38 telecommunication operators from the EU and the Western Balkans have agreed to make data roaming between the Western Balkans and the EU more affordable for citizens and businesses in both WB and EU, in a process supported by the Regional Cooperation Council and the European Commission.

Connectivity lies at the heart CRM. In this context, RCC, together with our regional partners and the European Commission, made significant strides in expanding the implementation of Green and Blue lanes at the borders between the Western Balkans and the European Union. Notably, three EU member states – Croatia, Greece, and Italy - all participants in the AII and the EUSAIR, have extended the Green or Blue lanes, thereby streamlining and expediting cross-border movement and trade in the region.

2. A greener region- Green Agenda

Ensuring environmental sustainability stands at the forefront of our shared responsibilities. Bosnia and Herzegovina as this year's Chair-in-Office, aligned with the Green Agenda for the Western Balkans whose implementation is coordinated by the RCC.

The Green Agenda for the Western Balkans is a dynamic and evolving initiative that, like a living organism, requires collective efforts of both the governmental and non-governmental sectors to nurture, grow and shape towards a sustainable plan for the future. In a developing region, such as ours, the concerns are related to daily life, and this makes it more difficult to think about the form and ways the future is threatened. The future with all its colours of uncertainty seems distant when daily perspective is still challenging. Our region should remain steadfast on the sustainable, green transition and decarbonisation path as any long-term derails are detrimental, especially in such a climate change-vulnerable region like ours. Last year we worked together with WB economies to prepare a joint statement on marine litter and we remain positive that all economies will commit on that.

3. Sustainable tourism in the region

This incredible industry, quite literally, makes the world go round- the importance of tourism for the economy is simply massive. In Western Balkan Pre-pandemic life showed some positive trends. More than 12 million people visited Western Balkans, which brought us profit of 7, 2 billion euros. Tourism made 10, 2% of the region's GDP and accounted for more than 25% of exports. On average, 11, 4% of the total employees in the Western Balkans were from this sector. Post-pandemic period of last summer shows 70% recovery in all tourism visits, while Western Balkan regional travel shows up to 95% of recovery. That is why, we have introduced under the Common Regional Market tourism as a key sector for development. A year ago in Tirana in our "Western Balkans Ministerial Conference on Tourism" launched by RCC.

Tourism has a direct connection with cultural and creative industries, another strategic industry that we are working on and whose potential is enormous: considering that this industry typically attracts young people and women, creates jobs and boosts the start-up ecosystem.

A couple of reflections for takeaways vis-à-vis the future challenges:

- Research and Innovation is one of the main tools for the future development:

In a developing region, such as ours, the concerns are mainly those related to daily life, and this makes it more difficult to think about the form and ways the future is threatened. The future with all its colours of uncertainty seems distant when daily perspective is still challenging.

And yes, I definitely understand the fear that the AI explosion will cause job losses. But instead of worry, let's think about how to orient AI and other new technologies to provide opportunities for the Western Balkans region to leapfrog past some of the challenges that other regions have previously faced. The investments in innovation at the regional level, in terms of budget, have for a long time remained approximately at the level of 0.4 % of GDP, making it difficult to be competitive in the market of today.



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Innovation plays a vital role in shaping the landscape of investments. In an era where markets are fiercely competitive, those who embrace innovation are the ones who stay above the surface.

Investing in innovation is not a luxury but a strategic imperative. It enables us to tap into untapped opportunities and become architects of change.

We in the RCC try to modestly foster this reflection by supporting young people and women with innovative ideas and entrepreneurship, through competitions such as Balkathon, Butterfly Innovation, Women in Entrepreneurship Recognition and Network, and Women in STEM Campaign, as support to close down the region's gap with the developed countries.

- Youth is the present not just the future

WB has still a big asset- that is the young population. 1 in 3 person in WB is a youngster and unlocked professional and academic opportunities for them is a must an imperative to use and not lose the youngsters due to migration and brain drain. The pace and the intensity of this problem of youth brain drain rank WB among the top brain drain leaders in the world, with estimates that the region will lose a quarter to half of its youth talent in the forthcoming decades.

The annual cost lost as a result of educated young people leaving the region varies from a minimum of 840 million euros to 2,46 billion. This implies a decrease in welfare for the WB economies costing around 3 billion of yearly GDP growth.

The mobility agenda developed under CRM, or initiatives such as Balkathon - Smarten up for the future, supporting unemployment programs in WB are just few initiatives we have undertaken to keep the youngsters in the region.

Ladies and gentlemen,

The obstacles we encounter may appear daunting, yet they present us with a chance to redefine our path ahead, to construct robust economies, sustainable environments, and thriving communities. We must intensify our efforts to empower our youth, safeguard environment, and enhance connectivity. We can better navigate the currents of regional cooperation, through collective commitment and unwavering resolve. On our end, RCC continues to stand ready to serve the region's development and its EU perspective.

In conclusion, once again, let me extend my appreciation to Bosnia and Herzegovina for hosting this event and good luck to our dear member Croatia for the upcoming Chair-in-Office.