

Regional economic integration agenda - Expected deliverables

WB6 are putting forward a draft Action Plan for a regional economic integration to be implemented by the end of 2024. This agenda is made up of targeted actions in four key areas:

- ***regional trade area: free movement of goods, services, capital and people***, including crosscutting measures, such the Green Lanes, to align with EU-compliant rules and standards and provide opportunities for companies and citizens;
- ***regional investment area***, to harmonize investment policies with the EU standards and best international practices and promote the region to foreign and intra-regional investors;
- ***regional digital area***, to integrate the Western Balkans into the pan-European digital market; and
- ***regional industrial and innovation area***, to transform the industrial sectors, shape value chains they belong to, and prepare them for the realities of today and challenges of tomorrow.

This agenda will bring tangible and concrete results that will benefit citizens and companies from the region. The WB6 Governments commit to implement the necessary measures that will lead to the following results:

A. Closely aligning rules and regulations with the core principles governing the EU Internal Market based on the four freedoms approach through mutual recognition arrangements, removing obstacles, and cutting costs and time needed for goods, services, capital and people to move freely across the region.

More specifically, by implementing the proposed actions in the priority area of “four freedoms” the WB6 are expected to:

- Introduce and implement, in line with EU *acquis*, mutual recognition of: certificates and testing results for industrial and agricultural products; Authorised Economic Operators (AEOs); professional qualifications; and licenses in tourism, selected financial services and other key services sectors;
- Establish regional e-commerce market by adopting core harmonised rules and internal market principle, by facilitating customs clearance of parcels and by removing geo-blocking;
- Adapt and expand Green Lanes, and make services available 24/7 at key BCPs/CCPs including the ones with the EU;
- Expand and improve CEFTA Risk Management and systematic exchange of electronic data (SEED) to all agencies involved in clearance of goods;
- Adopt services trade liberalisation package to, *inter alia*, enable supply of services without obligatory establishment and authorisation in line with EU *acquis*;
- Adopt new, more efficient rules on dispute settlement and resolution of not-tariff barriers in CEFTA;
- Reduce the costs of regional payments and prepare for joining the Single Euro Payment Area (SEPA);
- Enable mobility for students, researchers and professors;
- Introduce cross-border mobility for individuals on the basis of IDs;

- Remove work permits for intercompany transfers and contractual service providers;
- Enable portability of social rights.

B. Increasing the attractiveness of the region for foreign and intra-regional investors and facilitating higher investment inflows through joint investment retention and promotion activities to foster sustainable industrial activity, trade and ultimately, jobs.

More specifically, by implementing the proposed actions in the priority area of a Regional Investment Area, the WB6 are expected to:

- Map-out the key value chains, identify and gather information on participating companies, and adopt work program between investment agencies to deal with investment retention/promotion of key sustainable regional value chains;
- Adopt regional standards for FDI screening mechanism at the economy level, taking into account as much as possible EU taxonomy;
- Increase the investment readiness of the companies;
- Conclude economy-specific Investment Protection Agreements between EU and each of Western Balkans six economies.

C. Integrating the Western Balkans into the pan-European digital area by providing broadband internet access for the vast majority of households, aligning with EU Digital Single Market principles and practices, establishing free roaming region, coordinating data protection approaches, introducing mutual recognition of trust services, and embarking on new challenging practices, such as Artificial Intelligence, smart cities, high-performance computing, etc.

More specifically, by implementing the proposed actions in the priority area of a Regional Digital Area, the WB6 are expected to:

- Provide broadband internet access for the vast majority of the households;
- Establish free roaming region and reduce roaming charges between Western Balkans and the EU;
- Establish a regionally coordinated process of spectrum harmonisation of European 5G pioneer bands and apply a coordinated approach in the process of awarding of 5G radio frequencies and regional 5G piloting;
- Adopt a framework for Mutual Recognition of electronic signatures and other trust services;
- Align regional actions to ensure the cross-border/boundary protection of personal data and privacy.

D. Upgrading the industrial base and innovation infrastructures by supporting youth entrepreneurship, start-ups and early stage firms, introducing mechanisms for diaspora knowledge transfer, fostering green and women entrepreneurship and supporting sustainable regional supply chains and their integration into European and global networks in the context of realigned and regionalized value and supply chains.

More specifically, by implementing the proposed actions in the priority area of a Regional Industrial and Innovation Area, the WB6 are expected to:

- Introduce Regional European Research Area Monitoring to facilitate integration into the European Research Area;
- Support the implementation of the different actions steamed from the *Agenda for the Western Balkans on Innovation, Research, Education, Culture, Youth and Sport* which the European Commission is planning to adopt during the first semester of 2021;
- Create a regional Network of Digital Innovation Hubs;
- Upgrade regional SME online platform to support the innovation and internationalization of SMEs.
- Map out and upgrade automotive supply chains in the region to mitigate industry disruptions;
- Develop new regional value chains in green and circular economy to seize yet untapped potential;
- Develop a packaged tourism offer for the region and conduct joint promotional efforts.
- Create a Regional Diaspora Knowledge Transfer Initiative to tap into potential of the region's diaspora and encourage brain circulation;
- Set up Regional Network of Women in STEM for the Next Decade to encourage increased participation of girls and women in STEM education and careers;