

Where Do We Stand; Where Should We Go?

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CHECK AGAINST DELIVERY

I

Let me start with the main criteria for success in the field of regional cooperation:¹

- a) recognition of the need for and gains to be had from regional cooperation;
- b) political will in the region reflecting a sense of ownership and proactive policy making; and
- c) the involvement of external actors: mainly the European Union (EU); but we might include here pan-European organizations.

With these criteria in mind, we may ask whether regional cooperation is progressing in Southeastern Europe (SEE). The answer is definitively positive. Among many positive indicators, we can mention the following:

- The EU Stabilisation and Association Process's requirement for regional cooperation — which at the beginning seemed a little vague — has become a concrete list of task countries have to accomplish.
- The new and modernized Central European Free Trade Agreement (CEFTA) — or CEFTA 2006 — creates a regional free trade area expected to increase intra-regional trade and, above all, attract new investors, making them look at the region as a whole rather than at individual countries.
- The treaty establishing the Energy Community of SEE, which was signed in Athens in October 2005 and entered into force in June 2006, means that the EU and nine SEE partners — Croatia, Bosnia and Herzegovina, Serbia, Montenegro, the Former Yugoslav Republic of Macedonia, Albania, Romania, Bulgaria and UNMIK Kosovo — have now a legal framework for an integrated energy market.
- The South East European Cooperation Process — the only initiative generated from within the region — is increasingly becoming the relevant political framework in the region.
- The establishment of the Regional Cooperation Council — which will come into being in 2008 — indicates that regional cooperation is increasingly a shared notion and that ownership is working effectively.

1 See Christophe Solioz, "Rethinking south-eastern Europe through a pan-European perspective", *South East Europe Review*, 10 (2007) 2, pp. 67–80; and Milica Delevic, *Regional Cooperation in the Western Balkans*, Paris: Institute for Security Studies, Cahier de Chaillot, no. 104, July 2007.

II

Despite these very positive trends, it is nonetheless necessary to confront and deal with risks, limits and shortcomings:

- Regional cooperation is insufficiently advertised within the region and is not visible enough from outside it.
- Enhancing regional cooperation is just one prerequisite for EU integration and does not displace the dominant country-specific — and thus bilateral — pattern of relations between the EU and each candidate or potential candidate country.
- Regional cooperation does not solve the long list of unresolved bilateral problems in the region.
- Regional cooperation does not influence the credibility of the EU membership promise; on the contrary, if membership prospects are no longer credible, the EU's insistence on fostering regional cooperation may be interpreted in the region as a means of postponing membership, or even as an alternative to full membership.
- Cooperation progresses faster in areas where it helps serve the interests of the EU (e.g. energy and aviation versus transport and the environment).
- If controlled independence were chosen for resolving the remaining status issue (that of UNMIK Kosovo), this could sour bilateral contacts and undermine regional cooperation. The question is not only whether Serbia will demonstrate readiness to engage in cooperation in circumstances it does not find favourable, but whether it is still possible to work out a solution that would provide for a significant decline in risks, and for increased stability and regional cooperation.²

III

Against this background, I see many arguments in favour of fostering a pan-European regional cooperation process.

Throughout their history, SEE countries were always incorporated into larger political entities (the Austro-Hungarian or Ottoman Empire; the Soviet-era COMECON or the Non-Aligned Movement; and, more recently, the EU and NATO). We can rephrase this today: all SEE countries also belong to other regions as well: Central Europe, the Mediterranean and the Black Sea regions. As Vladimir Gligorov puts it: “The Balkans are a region of overlapping regions.”³ Indeed, SEE is less a homogeneous region than a multifaceted network linked to other networks. It is time to network these networks.

2 See Vladimir Gligorov, *Costs and Benefits of Kosovo's Future Status*, Vienna: wiiw, November 2007.

3 Vladimir Gligorov, “Trade and Investment in the Balkans”, in Vladimir Gligorov and Hermine Vidović (eds.), *On the Way to Normality — The States on the Territory of Former Yugoslavia in the Postwar Period* (Vienna: wiiw paper, no. 250, 1998), p. 2.
<<http://www.wiiw.ac.at/balkan/files/Gligorov.pdf>>.

Considering firstly the limited capacities of regional cooperation to secure prosperity and, secondly, the necessity to overcome the newly established divisions induced by the latest round of EU enlargement — among EU members, would-be members and non-members — then a process of broader regional, truly pan-European cooperation is undoubtedly the best option and the only way forward.

Undoubtedly, while EU integration — even with a common regional dimension — is essentially a bilateral exercise, stabilization requires more of a regional context. Indeed, if on the one hand, some aspects of regional cooperation are directly related to EU accession, then on the other hand, other aspects have more to do with basic, region-wide but also cross-regional Europeanization issues. In the areas of the economy and infrastructure, pan-European cooperation is without doubt the only relevant framework.

Thus, once the EU membership perspective has been materialized, introducing a number of intermediary steps in the EU integration process could enhance the credibility of the EU promise and, thus, strengthen the EU perspective. As a result, the SEE countries might become more open, firstly, to considering the intrinsic benefits of regional cooperation and, secondly, to fostering a consensus on a new, flexible and open regional cooperation process. Thus, what is required is to think about a framework wider than the one encompassing only SEE countries.

The gains to be had from this broader regional cooperation framework are obvious, but this will require political will in the region and renewed pan-European engagement.

C'est de la musique d'avenir — indeed, but such a process must be reflected immediately. Pan-European actors such as the UNECE must take the responsibility and bring the SEE region into a pan-European cooperation framework.