Regional Cooperation in Southeast Europe
The Post-Stability Pact Period
Introduction

This paper seeks to give an overview of the political and structural changes of the transition from the Stability Pact for South Eastern Europe to the Regional Cooperation Council (RCC). While the Stability Pact was in many aspects directed by the international community, the RCC’s ambition is to create an overall ‘regional ownership’ of initiatives and tasks forces established in the RCC framework. While giving a broad overview of the work of the RCC the emphasis of this paper is on the achievements of the first year of regional cooperation with a focus on security cooperation, one of the priorities of the RCC.

1. Looking back: The Stability Pact for Southeast Europe – Regional cooperation under international guidance

Launched in 1999 in Cologne, Germany, the Stability Pact for Southeast Europe aimed at strengthening efforts of the countries in the region to foster peace, democracy, human rights and economic growth. It was the first comprehensive conflict prevention strategy of the international community, providing a framework for regional cooperation and closer relations with European and Euro-Atlantic structures.

A whole range of initiatives for regional cooperation preceded the Stability Pact for Southeast Europe. Among them where the Central European Initiative (CEI, 1989); the Conference on Good Neighbourliness; the Royaumont Process (RP, 1995); the Southeast European Cooperation Initiative (SECI, 1995); the Regional Approach of the EU (RA-EU, 1996); Stability, Security and Cooperation in SEE (CSEE, 1996) and the South East European Cooperation Process (SEECP, 1996). Considering the fact that the region had to go through five military conflicts these earlier initiatives for regional cooperation in Southeast Europe can be seen as having insufficient impact. The SECI and the EU regional approach also met the difficulty of former Yugoslav countries rejecting any initiative that they saw as a revival of old Yugoslav links. All of the above initiatives later came to work in

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1 All information, if not stated otherwise, is retrieved from the official website of the Stability Pact, see www.stabilitypact.org.

conjunction with the Stability Pact and are now involved in the work of the Regional Cooperation Council (RCC). The South East European Cooperation Process was formed in 1996 to strengthen sub-regional security cooperation. Its focus lay on trans-border cooperation and cooperation in justice and home affairs, as well as on cooperation in combating terrorism, organized crime and illicit traffic in drugs and guns. The SEECP plays an important role in the work of the RCC; underneath we will elaborate on this role.

The Kosovo war and the NATO intervention became a catalyst for coordination and preventive action in the region under international leadership. It was less than a week after the bombing on Kosovo had started that the foreign minister of Germany, Joschka Fischer, aired the idea of a Stability Pact for South East Europe. The Kosovo war and the NATO intervention became a catalyst for coordination and preventive action in the region under international leadership. It was less than a week after the bombing on Kosovo had started that the foreign minister of Germany, Joschka Fischer, aired the idea of a Stability Pact for South East Europe. A few months later, on 10 June 1999, at an initiative of the European Union, the founding document committed more than 40 countries and organizations - among them the EU Member States and the EU Commission, the United States, UN, OSCE, Council of Europe, NATO, World Bank, European Investment Bank, the South East European Cooperation Initiative and of course the countries of the region - to strengthen the Southeast European countries in fostering peace and democracy. On the one hand, the aim of the stability pact was to streamline the efforts of the international community in the region while on the other hand it was to provide a platform for cooperation among the countries of the region. In doing so it would serve the main and central goal of this Stability Pact, which was to “anchor the countries of South East Europe firmly in the values of and institutional structures of the Euro-Atlantic Community”.

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3 Germany was then holding the EU Presidency.
4 The idea for a Stability Pact was not new; France had opted it for central- and eastern Europe in 1994 (Balladur Pact) and for Bosnia-Herzegovina in 1998 (Védrine); new about the German proposal however was the prospect of membership of Euroatlantic structures for the countries in Southeast Europe. Friis, L. & Murphy, A. “Turbo-charged negotiations’: the EU and the Stability Pact for South Eastern Europe”. Journal of European Public Policy, Vol. 7 No. 5, Special Issue. 767-786. (2000): 769.
5 The following countries and organizations where member to the Stability Pact: Albania, Bosnia-Herzegovina, Bulgaria, Canada, Croatia, the EU member states, Former Yugoslav Republic of Macedonia, Hungary, Romania, the Russian Federation, Slovenia, Turkey, the U.S.A., Japan; Black Sea Economic Co-operation, the Central European Initiative, the Council of Europe, the European Commission, the European Bank for Reconstruction and Development, the European Investment Bank, the International Monetary Fund, NATO, the Organization for Economic Co-operation and Development, the OSCE Chairman in Office, representatives of the Royaumont process, the Southeast European Co-operation Initiative, the South Eastern Europe Co-operation Process, the United Nations, the United Nations High Commission for Refugees, the Western European Union, the World Bank.
The Stability Pact was based on experiences and lessons from worldwide international crisis management, building on three key sectors: the creation of a secure environment, the promotion of sustainable democratic systems, and the promotion of economic and social well being. The Pact was supported by a Special Coordinator, Erhard Busek and his office in Brussels. A special feature were the Regional and Working Tables in which the representatives of Southeast European countries were the equals of international organizations and financial institutions in advising on the future of the region and in setting priorities.

As mentioned above, the founding document also promised the Euro-Atlantic integration of all countries in the region, including eventual full membership of the EU. In this context, the EU set up Stabilisation and Association Agreements (SAA) with countries of the region which so far had no contractual relations with Brussels. Macedonia was one of those countries. The Stabilisation and Association Agreements are the most important documents of the Stabilisation and Association Process (SAP) which continues to be the main framework of EU-Western Balkans relations. The efforts of the Stability Pact have been complementary to those of the Stabilisation and Association Process. On its website, the Stability Pact remarked that the European perspective was the key motivator for the concerned countries to engage in regional cooperation and reform and has been a crucial tool for the success of the Pact. A Macedonian official put it more starkly: “the stability pact would not have any value in itself if it did not contain a membership perspective”. In the beginning, the Pact was more or less a platform for coordinating donor activities and establishing funds for reconstruction. Over the years, it also developed into a forum bringing together regional and international actors in order to shape common strategies for the future of the region. It was due to broad international support for the Stability Pact that regional countries were convinced to participate in regional cooperation programmes. But if the stability and economic situation in the region where to continue to improve a more regionally owned framework, in which the states themselves took initiative for further regional cooperation, would be crucial, according to the actors involved. The idea of transforming the Pact in its successor organization, the Regional Cooperation Council was born.

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2. From the Stability Pact to the Regional Cooperation Council

The Regional Cooperation Council (RCC) was designed around priorities defined by the region itself and was officially launched in Sofia on February the 27th of 2008. The South Eastern European countries, donor countries and other international actors, such as the European Commission expressed their full commitment and support for the new scheme that would follow in the footsteps of the Stability Pact for South East Europe.

The most important aim of the Council is to support regional cooperation in South East Europe under the principle of regional ownership, leading to the implementation of regional projects, benefiting each of the countries of the region. The Secretary-General of the Regional Cooperation Council, Hido Biscevic, a former Croatian diplomat with professional experience in regional and bilateral cooperation, points to the fact that the RCC forms the first regionally owned initiative of multilateral and multifaceted cooperation in the modern history of Southeast Europe. As opposed to the light parenting characteristic of the Stability Pact, the RCC is self-sufficient. The countries of the region themselves take the lead of the organization while international organizations such as the United Nations, World Bank and the European Union act as equal members of the scheme.

The RCC was also designed in order to continue fostering the European and Euro-Atlantic integration of the region. Like the Stability Pact it operates in accordance with the Stabilisation and Association Process (SAP) of the EU. The accession of the countries in the region to the North Atlantic Treaty Organization (NATO) forms a second important issue.

A third of the costs for the RCC are covered by the European Union, the rest is covered by the participating states of the South-East European Cooperation Process (SEECP) and the donors of the Stability Pact.

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8 All information, if not stated otherwise, is retrieved from the official website of the Regional Cooperation Council, See www.rcc.int.
10 Ibidem.
2.1. Structure of the RCC

The RCC consists of the RCC Secretariat, the RCC Secretary General, the RCC Board as well as the RCC members. The RCC Secretariat is located in Sarajevo, Bosnia-Herzegovina and has a Liaison Office in Brussels with Hido Biscevic as the first Secretary General. The Secretariat provides technical, organizational and analytical support to the Secretary General, the RCC Annual Meeting and the RCC Board. The seat and administrative organization in Sarajevo are shared with the Southeast European Cooperation Process (SEECP) and form the coordination framework for regional cooperation activities within Southeast Europe.

The RCC Board, comprising of RCC members contributing to the budget and the so called EU Troika (EU Presidency, European Commission and European Council Secretariat), provides operational guidance and supervises the organization. The Board is in charge of accepting the Annual Report of the Secretary General and adopts the annual Strategic Work Programme.

Forty-five countries, organizations and financial institutions are member of the RCC. They include the countries participating in the Southeast European Cooperation Process (SEECP), a group of donor countries most of which are European countries, the European Union, the Council of Europe, NATO, the Organization for Security and Co-operation in Europe (OSCE), the Organization for Economic Co-operation and Development (OECD), the World Bank and several UN institutions among which the UNDP, the UNECE and the UNHCR. Membership requests by countries or organizations require the consent of existing members.

The RCC’s annual meeting is connected to the SEECP Summit and is co-chaired by the Secretary General and the Chair of the SEECP. The annual meetings ensure the strategic coordination and development of the regional cooperation process. Decisions of the RCC are based on consensus.

2.2. Priorities of the RCC

Overall, the RCC defined six priority areas of its work: Economic and social development, energy and infrastructure, justice and home affairs, security cooperation, building human capital and

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12 In 2008/2009, this was Moldova. The current Chair of the SEECP is Turkey.
parliamentary cooperation. In order to support its priority areas, the RCC created an expert pool designing and implementing RCC programmes and projects in the priority areas. The Expert Pool prepares project ideas for international donors and develops project proposals with partner organizations. In addition, the RCC experts implement the RCC Secretariat’s communication strategy, giving lectures and briefing journalist and politicians in the whole region.

2.2.1. Economic and Social Development

The RCC supports the development of prosperous market economies and adequate social systems and policies, being cornerstones of peace and stability in Southeast Europe.

It plays an active role in coordinating, facilitating, and providing political support to regional economic initiatives aimed at investment facilitation, SME development, and trade liberalization.

Unlike the other regions of Europe, Southeast Europe saw a drastic decline in regional trade in the 1990s. Reasons for this decline were the restrictions on trade that were put into place after the disintegration of Yugoslavia and the military conflicts in the region. Nevertheless, regional trade was partly renewed toward the end of the 1990s and because of an absence of preferential access to EU markets intra-regional trade forms an important share in the imports and exports of most Southeast European countries.

As a continuation of the work of the Stability Pact the RCC contributes to the Central European Free Trade Agreement (CEFTA 2006 Agreement). With this agreement the countries involved wish to promote regional trade through the abolition or reduction of tariffs and the elimination of non-tariff barriers.

Other key initiatives of the RCC in the field of economic and social development are the Investment Compact for Southeast Europe, the Bucharest Employment Process and the Southeast European Health Network.

2.2.2. Energy and Infrastructure

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14 Ibidem.
The RCC regards energy and infrastructure as the most important prerequisites for the overall economic, social and environmental development, stability and prosperity of the region. It promotes sustainable energy development in the region and monitors the development of an Energy Community.

Among other initiatives the RCC supports the South East Europe Transport Observatory Permanent Secretariat in establishing a Transport Community and the implementation of the South East European Railway Transport Area. It also supports the Danube Cooperation Process and the International Sava River Basin Commission in order to promote a better use of the rivers’ potential. Taken into account the problem of environmental pollution, the RCC cooperates with the Regional Environmental Centre and the Regional Environment Reconstruction Programme Secretariat.

2.2.3. Justice and Home Affairs

The RCC priority areas concerning justice and home affairs include fighting organized crime, anti-corruption activities, migration and asylum related activities, and the observation of EU developments in this area.

The RCC also provides technical expertise and maintains connections with the relevant national, international and civil society stakeholders. In this context, the RCC took over the Stability Pact’s seat on relevant boards. In the area of Justice and Home Affairs, the RCC builds on the work of the Stability Pact and attempts to share best practices and lessons learned among the countries of the region. Main regional initiatives include the SECI Centre for combating trans-border crime, the South East European Prosecutors Advisory Group, the Regional Anticorruption Initiative Secretariat, the Migration Asylum Refugees Regional Initiative, and the Southeast Europe Police Chiefs’ Association (SEPCA).

2.2.4. Security cooperation

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15 The RCC cooperates with the Regional Anti Corruption Initiative (RAI).
16 The RCC is in contact with the Migration, Asylum and Refugee Regional Initiative (MARRI).
The RCC is engaged in fighting remaining and new challenges on a national and regional level in the field of security and thus tries to establish a stable security environment in the Southeast Europe. Regional cooperation which, according to the RCC, shall end in an overall regional ownership, will help to make security responses more effective. Under the auspices of the RCC initiatives such as the Regional Arms Control Verification and Implementation Assistance Centre (RACVIAC), the South East and East Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC) and the Disaster Preparedness and Prevention Initiative (DPPI) are in operation. In the opinion of the RCC, they are efficient and their ultimate aim should be full regional ownership. Regarding security cooperation, the RCC builds on the work of the Stability Pact and complements the South East European Cooperation Process (SEECP). Strengthening the coordination between the RCC and NATO and between the RCC and the EU will further push the process of regional cooperation in the security sector.

Furthermore, the RCC puts an emphasis on the so called Security Sector Reform (SSR), comprising of the strengthening of the oversight function of legislative bodies regarding armed forces and security services. As for the SSR, the Regional Cooperation Council aims at making functional divisions transparent for the donor community and at promoting local ownership and building the governments’ coordination capacities. Given the fact that coordination between international and national governmental actors and non-governmental organizations in the field of security matters is still insufficient, the RCC’s ambition is to take a leading role in the development of the SSR.

2.2.5. Building human capital

The RCC wishes to communicate the notion of so called Trust Based Societies and promotes a culture of tolerance and dialogue in South East Europe. In order to fight the stereotypes that people might have of those of the other country, region, language group or culture the RCC supports reconciliation initiatives, cultural exchange and contacts between people. Special attention is paid to younger generations. The RCC puts an emphasis on the importance of education and vocational training, e.g. by supporting the region’s cooperation in the EU’s Lifelong Learning Programme. The RCC also focuses on effective employment policies in order to create long-lasting stability.
2.2.6. Parliamentary cooperation

The RCC is actively involved in the process of parliamentary cooperation, supporting the Regional Secretariat for Parliamentary Cooperation in South East Europe (RSPCSEE). The RSPCSEE was established in Sofia, Bulgaria. Its aim is to help intensify regional parliamentary cooperation, ensuring coordination and political support for the formulation and implementation of regional activities. The Secretariat acts as an information network between and for the parliaments of the countries in the region. Stronger and institutionalized parliamentary cooperation is meant to strengthen democratic efficiency and effectiveness of parliaments, as well as to promote bilateral and multilateral cooperation between parliaments.

2.3. Cooperation with other actors

The attempt of the RCC is to function as a focal point for regional cooperation, maintaining working relations with international organizations and governments as well as with civil society. A key task is to provide the South East European Cooperation Process (SEECP) with operational capacities. Furthermore the RCC acts as a forum for the continued involvement of international donors. When the RCC presented its priorities to representatives of European and Euro-Atlantic institutions, to other diplomats and to civil society organizations in June 2009 in Brussels, RCC Secretary General Hido Biscevic highlighted that the RCC is a key partner of the EU and the international community for cooperation issues in Southeast Europe.\(^{17}\) At the meeting, several RCC representatives outlined that the improvement of relations of Southeast European countries with European and Euro-Atlantic institutions positively affects the countries’ readiness for regional cooperation. In addition, at a summit of regional leaders held in early June 2009 in Chisinau, the regional Heads of States and Governments adopted the Chisinau Declaration, calling upon the RCC Secretary General to continue achieving regional priorities and objectives. On this occasion, Biscevic said that the Chisinau Declaration provides a much needed platform aimed at forging stability and

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integration through accelerated development. He also put emphasis on the need to keep bilateral
issues outside of the RCC framework and that it was necessary to focus on defining development
priorities which will support national economies and which will boost EU related reforms, including
amongst others energy security and infrastructure.

2.4. Current issues: RCC’s role in times of financial crisis and security challenges ahead

At the June 2009 presentation in Brussels\textsuperscript{18}, Hido Biscevic emphasized the important role the RCC
plays in the context of the global financial and economic crises which also hit the region of
Southeast Europe. Biscevic already highlighted the RCC’s role during the crisis earlier in June 2009
at a summit of regional leaders in Chisinau and mentioned that “good neighbourly accommodations
are essential for moving Southeast Europe forward at the time of challenging regional agenda and
the adverse effects of the current economic and financial crisis”.\textsuperscript{19} In Chisinau, the Heads of State
and Government of the Southeast Europe countries also called upon the RCC to establish a high-
level expert panel to stimulate in-depth discussion on economic and financial measures in response
to the economic crisis.

On the 22\textsuperscript{nd} of May 2009, the RCC together with the Bulgarian Ministry of Defense organized a
meeting to discuss ways to enhance ‘regional security cooperation and defense’.\textsuperscript{20} The meeting
aimed at consolidating trust and proposing new initiatives and techniques to improve the region-
wide transnational defense cooperation framework. Again, the world financial crisis was described
as being a common security challenge. The participants agreed that the financial situation must not
threaten the achieved level of mutual confidence and security and that sustaining measures must
be taken.

\begin{footnotesize}
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\item \textsuperscript{18} Ibidem.\textsuperscript{19} See Regional Cooperation Council. “Press Release 5 June 2009: Good neighbourly accommodations
and development cooperation essential for progress in South East Europe, said RCC Secretary General at the
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development cooperation essential for progress in South East Europe, said RCC Secretary General at the Summit of
\item \textsuperscript{20} See Regional Cooperation Council. “Press release of 22 May 2009: Regional cooperation needed to address
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One day earlier, on 21 May 2009, the RCC together with the United Nations Office on Drugs and Crime (UNODC) signed a Memorandum of Understanding to further improve security and promote the rule of law in Southeast Europe.\textsuperscript{21} Addressing challenges posed by illicit drugs and organized crime in the region was defined as a joint priority. In this context, the Memorandum of Understanding will form the basis for technical assistance to strengthen national administrative and institutional capacities, develop legislation and policies, and implement United Nations and European Union standards and principles. The sharing of knowledge and best practices will also be facilitated, according to the memorandum. It was agreed that regional and national projects, training, research and awareness campaigns will be conducted in order to address such issues as money laundering and the financing of terrorism.

2.5. The first year passed: Successes and challenges ahead in the security sector cooperation

During the first year of the RCC, in the field of security cooperation, the RCC Secretariat focused on strengthening regional ownership of the cooperation effort and on identifying the needs for a deepening of security cooperation and regional defense.\textsuperscript{22} The following three initiatives - that were as we saw above, developed under the auspices of the Stability Pact - form the main focus of the RCC concerning peace, stability and security in the region: the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC), the Disaster Prevention and Preparedness Initiative in South Eastern Europe (DPPI SEE) and the Regional Arms Control Verification and Implementation Assistance Centre (RACVIAC), also known as the RACVIAC- Centre for Security Cooperation.

The RCC and the UNDP signed a new agreement, widening the scope of activities of the South Eastern and Eastern European Clearing House for the Control of Small Arms and Light Weapons (SEESAC), transforming it into a community violence prevention scheme. Both the UNDP and


SEESAC requested the RCC Secretariat to bring to the attention of the RCC Board the necessity of transforming SEESAC into a fully-fledged regional owned initiative.\textsuperscript{23}

At a coordination meeting with the Disaster Prevention and Preparedness Initiative for South East Europe (DPPI SEE) and SEESAC, both initiatives agreed to continue operating under the RCC scheme.\textsuperscript{24} The RCC Secretariat provided the DPPI SEE with full support and facilitated contacts with international donors. In cooperation with the DPPI SEE, the RCC Secretariat also provided assistance to the UNDP in preparing a Regional Program on Disaster Risk Reduction in South East Europe.\textsuperscript{25}

The RCC offered political support and gave guidelines in the transformation of the Croatian based RACVIAC Centre for Security Cooperation. One of the mayor changes was that the core members of RACVIAC became responsible for the full budget of the organization in 2009.

The field of defence issues formed another important focus in this first year of the RCC. Together with the Ministry of Defence of Bulgaria the RCC organized a meeting of Defence Policy Directors and International Cooperation Directors of the Ministries of Defence of Southeast European countries in May 2009. Besides sharing expectations and formulating techniques and capabilities to improve region-wide transnational defence cooperation, the meeting also aimed at establishing a permanent dialogue of Southeast European Defence Policy Directors, thus institutionalizing such a format under the auspices of the RCC.

The RCC also further developed the dialogue with major stakeholders of regional defence and security cooperation, including the South East European Defence Ministerial (SEDM), the Geneva Centre for Democratic Control of Armed Forces (DCAF), NATO and OSCE. The intention of the RCC is to avoid the duplication of activities of other organizations that are already well accepted and supported.\textsuperscript{26}

In its first year, the RCC Secretariat also took part in the creation of a Southeastern and Central Europe Catastrophe Risk Insurance Facility (SECE-CRIF), together with the World Bank and the UN International Strategy for Disaster Reduction (UN ISDR).\textsuperscript{27} In the form of a public-private partnership, the SECE-CRIF will facilitate the development of a catastrophe insurance market in

\textsuperscript{23} Ibid., 39.
\textsuperscript{24} Ibid., 37.
\textsuperscript{25} Ibid., 38.
\textsuperscript{26} Ibidem.
\textsuperscript{27} Ibidem.
Southeast Europe. In addition, a project regarding the creation of the South East Europe Firefighting Regional Center (SEEFREC) was developed together with DPPI SEE, supported by UN ISDR and the World Bank.\textsuperscript{28}

\footnotesize{\textsuperscript{28} Regional Cooperation Council 2009a: 38.}
Summary

The work of the RCC forms a successful continuation of the efforts of the Stability Pact for South Eastern Europe. The RCC can be seen as the most comprehensive regionally owned initiative for cooperation in Southeast Europe. Even in a time of economic hardship the countries in the region have shown their willingness and competence to continue to cooperate on important issues such as economic and social development and the safeguarding of peace and security in the region. There is a prevailing willingness among the countries of Southeast Europe to take measures against the economic crisis in a coordinated fashion. The RCC functions as a forum for the shaping of policy in this field.

The RCC continues to provide the SEECP with operational capacities. Among many initiatives it supports regional cooperation efforts set up to deal with problems in the field of security and defence, like SEESAC, DPPI SEE, SECE-CRIF and the RACVIAC Center. Furthermore it maintains working relations with international organizations like the UN and the EU, governments in Europe and worldwide and civil society organizations.
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