

ANALYTICA'S YEARBOOK OF INTERNS

2006

January 2008
Skopje





From the Director

Analytica is one of the new generation of think tanks in Macedonia that actively draws solutions to contemporary problems from the ideas, principles and traditions that make Macedonia such an important historical and geopolitical place. It

is dedicated to promoting greater cooperation and understanding among the people in Macedonia and wider in the region of Southeast Europe.

Internships are one of the leading qualities of Analytica - they benefit the interns in giving them an opportunity to write research reports and utilize Analytica's experience and knowledge. By this our interns gain an opportunity to improve their research skills in their area of interest. Every year their reports are published in a yearbook, which is a valuable publication opportunity, and a chance for our interns to freely share their knowledge with their peers, and address governments, policy makers, public and other institutions.

This yearbook features contributions from interns from different parts of Europe with their reports summaries. Most address topics related to EU integration and enlargement with a distinct focus on the Western Balkans region. Many present a specific member state relations with Western Balkans states and comment on the prospects of further enlargements. The original reports can be acquired from the interns by a direct contact or

through Analytica. The first two interns were our residential interns that made their researches on our office in a period of two months and the remaining interns were non-residential, who conducted distance research and sent it to us.

We hope this excellent mutual relationship continues and develops further.

Regards,

Turker Miftar
Executive Director

ENLARGE EU	1
RELATIONS BETWEEN MACEDONIA AND EU	5
POLISH VIEW ON THE INTEGRATION OF WESTERN BALKANS INTO EU	9
THE EFFECT OF ROMANIA'S EU MEMBERSHIP TO WESTERN BALKANS PROSPECTS	13
EFFECTS OF TURKEY'S EU INTEGRATION FOR THE WESTERN BALKANS	17
LESSONS LEARNED FROM PORTUGAL AND POLAND'S INTEGRATION INTO EU AND THEIR APPLICATION INTO THE CASE OF THE WESTERN BALKANS	20
SPAIN AND THE ENLARGEMENT OF EUROPEAN UNION TO THE WESTERN BALKANS	24
WHAT IS WRITTEN ON BALKANS INTEGRATION INTO EU IN TURKISH MEDIA	28
SPAIN'S POLICY TOWARDS ENLARGEMENT OF THE EU TO THE WESTERN BALKANS	31
EU ENVIRONMENTAL POLICY TOWARDS WESTERN BALKANS	36
EU SUPPORT PROGRAMMES TOWARDS SEE	42
EU-WESTERN BALKANS RELATIONS	46
RELATIONS BETWEEN AUSTRIA AND SOUTH EASTERN EUROPE: POLITICAL AND ECONOMIC RELATIONS	50



name: **Daniel Engstrom**
 degree: Bachelor in International Relations
 country: Sweden
 e-mail: dengstrom@analyticamk.org
 daniel_engstrom@hotmail.com

ENLARGE EU

Introduction

An Analytica¹ report before the decision to grant Macedonia the status of candidacy country concluded that the decision was *"taken in a context of a rapidly and unexpected changed political environment: the failure of the constitution, growing uneasiness of the public about enlargement; and fear of possible obstacles in the reform process within Macedonia"*. But it was also argued that the European consensus on the importance on enlargement was growing every day. What has happened with this consensus in one year? The concept of absorption capacity has been frequently used in the debate. The concept was in the European Commission enlargement strategy report² changed to integration capacity, but still reflects the common position within the EU that it might be a need for pause in the enlargement before further states receive their membership. There is still a consensus within the EU on the need of further enlargement, but restrictions are becoming more visible and the process appears to be slowing down.

This report will focus on the future integration of the Western Balkans into the European Union. The main focus is to be security, the security of the Western Balkans as well as the security of the EU. It will be argued that security is one of the reasons why a union including the region is to be seen as a strategic rationale for the EU.

There are several threats to the security and stability stemming from the weak state structures; such as organized crime and corruption, which in turn makes the building of strong states more difficult. Another major security threat, and the one to be primarily focused upon here, is the risk of by leaving the region with a feeling of exclusion give way to forces that can turn the socio-economic unrest among the population into violence. Giving a clear perspective of future accession to the EU is vital to maintain stability within the region.

Enlargement as security strategy

"So what about the role of the European Union? It has become less fashionable to describe the European Union and its previous incarnation as a peace building project. Many say this is a terrible cliché. Maybe so. But that is how we started, and what we still are today" –Javier Solana, 2006³

It is a widely accepted idea that integration promotes peace, understanding and trust. One of the big achievements, perhaps the biggest, of the European integration has been the evolving culture were it now is unthinkable to see France entering a war with Germany. When the unnatural division of Europe faltered as the Berlin wall fell, there was no reason why not to incorporate the new countries in the European integration process. As the discussion on an enlargement including the eastern parts of Europe was initiated, there was one issue standing out; the security issue. Already after the council meeting in Copenhagen, were the criteria for the accessing states were set, it was stated that the peace and security in Europe depended on a successful effort to transform the former communist states into market economies and democracies⁴. Three years later in Madrid the Council stated that enlargement is a necessity as well as a historic opportunity for Europe to ensure the stability and security of the continent⁵

It is the stated aim of the European Union to promote peace and stability in the Western

¹ The end of a long transition? Macedonia's readiness for EU candidacy. Available at

<http://www.analyticamk.org/files/ReportNo1.pdf>

² Enlargement strategy and Main Challenges 2006/2007 Communication from the Commission to the European Parliament and the Council

³ Speech by Javier Solana at Oslo Forum 27 June, 2006

⁴ European Council in Copenhagen 21-22 June. Conclusions of the presidency

⁵ Madrid European Council 15 and 16 December 1995: Presidency Conclusions

Balkans by further integrating it with Europe⁶. The same kind of argument used during the process leading up to the expansion in 2004 also goes for the Western Balkans; the prospect of a further European cooperation will serve as a motivator for the people of the region to restrain forces incompatible with democratic values. The added dimension to the Western Balkans is of course the decade of conflict which left the governments in the region to handle states torn apart by war, a challenging process to say at least. Today we however see a region where stability is a verity; it might be a fragile one, but still a stability which is of greatest importance to protect.

To preserve the stability and promote security is a task which largely relies on building strong states with institutions that are fully functional and trusted by the people. The disintegration of Yugoslavia was a consequence of nationalism and the accelerating events made it clear that the major security issue in the region is internal conflict and instability following the weak state structures.

Risk of Nationalism turning violent

It has been widely shown, not only in the Balkan region but also in Rwanda, and if you prefer even in the 1930's Germany, that during times of socio-economic unrest and feelings of disappointment, people tend to be more receptive to a populist and simplistic discourse and nationalism is more likely to turn violent⁷. In

⁶ I.e. in European Union Institute for security studies report: **A secure Europe in a better world: European security strategy 2003**

⁷ Fearon, James D. and David D. Laitin, 2000, Violence and the Social Construction of Ethnic Identity, International Organization 54, 4, Autumn 2000, pp 845-877, Gourevitch, Philip, 1998, We Wish to Inform You that Tomorrow We Will Be Killed With Our Families: Stories from Rwanda, New York, Farrar, Straus & Giroux,

a region where there are so many different ethnic belongings, it might not be a far-fetched conclusion that underneath the surface of peace and stability there is a risk of violent nationalism to rise once again.

There are several potential trouble spots within the region regarding nationalism. The most imminent is of course the situation in Kosovo, where the issue largely influenced the referendum on the new constitution. Politicians, as well as media, took a more nationalist course in order to secure an approval of the new constitution. In the Bosnia and Herzegovina October elections, candidates were criticized by international observers for using inflammatory ethnic rhetoric in their build up campaign⁸. Macedonia has experience a longer period of calmness, but still a clear line of division between the ethnic groups exists, especially between Albanians and Macedonians. This is for instance shown by the fact that the government is a coalition between "Macedonian" parties and "Albanian" parties.

It should be clear that even though the region is stable at the moment, it is still a fragile stability. It is within every actor's responsibility to do its utmost to maintain this stability. In doing so it is vital to keep the motivation for reforms up, and never to leave the region with a feeling of Europe not truly seeking integration. The desire to become full members of Europe is a uniting desire which hopefully oversees the ethnical divisions.

Sofos, Spyros A., 1996, "Inter-ethnic Violence and Gendered Constructions of Ethnicity in Former Yugoslavia" Social Identities February 1996, Vol. 2 Issue 1, p 73 (20 p).

⁸ Deutsche Welle: **Bosnian Election Show Ethnic Discord**

Prospect of feeling excluded and disappointed

As stated above, there is clear evidence that the risk of nationalism turning violent is bigger in societies characterized by socioeconomic unrest. The economic situation in the region is sore and a feeling of being excluded from Europe could prove fatal.

The view on the situation among the citizens of the region, presented by International Commission on the Balkan, is rather bleak. As for example; 74 percent in Bosnia and Herzegovina described the situation in the country as "bad". Even among the most positive citizens, the ones in Albania and Kosovo, still 28 percent describes the countries situation as "bad". The unemployment rate is in most countries above 20 percent, with Macedonia and Bosnia and Herzegovina reaching almost 40, and the number living below the poverty line is somewhere between 25 and 30 percent⁹. The need for a change is clearly visible, and for the majority of the people an EU-membership would be a great progress. There is however a rather negative view of the European willingness to initiate procedures for the accession of their states, only one quarter believes it will happen before 2010 and assumingly the majority is right in this case. This somewhat suspicious view on the actual will of the EU to allow the states of the Western Balkan into the union sooner rather than later was of course further set when Jose Barroso, after the decision to let Romania and Bulgaria in, stated that a further enlargement had to wait until the constitutional issues inside the Union has been solved¹⁰. However this

⁹ CIA – The World Fact Book
<https://www.cia.gov/cia/publications/factbook/>

¹⁰ Cited on
<http://news.bbc.co.uk/2/hi/europe/5378822.stm> 25/10/06

might not constitute a real problem to the states in the region since, apart from Croatia and in some sense Macedonia, a membership, or even negotiations, is for the majority of the states in the region a long way down the road. It is more a case of fuelling existing feelings of hopelessness.

During the enlargement process leading up to the enlargement in 2004, a general trend could be seen in the opinion of the aspiring states citizens. In the initial phase there was an overwhelming support for an entrance into the EU, a support which declined during the late 90's when there was a feeling of hopelessness as reforms did not appear to bring the countries closer to the Union. Once the membership looked to be within reach, the support again increased. Considering this, it is of vital importance to keep the positive view on EU among the public opinion and making the membership seemingly in reach. The trust towards the international community is, as a result of the early lack of interest in the conflict, low in the region and the feeling of not being wanted can quickly turn around the opinion, which has been the result in Croatia.¹¹ Also among the politicians the prospect of an EU-membership seems to be the key motivation, therefore the progress made needs to be rewarded in order to keep up the speed of the reform process. This does not mean to disclaim the responsibility of the politicians to fulfill the criteria set up.

Another vital issue to solve in order to make the citizens feeling included in EU is the visa regime. This is one area where it is most obvious to the Western Balkan public that the rest of Europe is

not very keen on involving them. The number of students in Serbia who has never been abroad is astonishing 72 percent. The stories on how difficult it is for citizens in the region even to get a tourist visa are many times unbelievable. Negotiations are on the way, and their success is vital in order to make it clear that the people of the Western Balkan are wanted by Europe.

It should be of the highest priority for the EU not to leave the region with vague statements appearing like "maybe" or "let's see". Instead it is important to give the governments within the region, and also the public, rewards for the hard work done and showing clear intentions that the membership is a real possibility. At a similar time, the governments needs to perform, and the awards cannot be given to easily. It is a classic case of stick and carrots. But should the carrots be too rare, the sticks will be contra productive

Another aspect is the opinion among the common European. Only Croatia enjoys support from more than 50 percent of the Europeans in their strive for a membership in EU and in the case of Albania as much as 44 percent oppose a membership, even if the country is to fulfill the criteria. The main argument used by opponents to a wider EU is fear of mass immigration leading to loss of job, fear of organized crime and a fear that the own country would lose influence within the EU. The supporters of a further enlargement use arguments such as promotion of democratic values and stability within the new states and a stronger EU¹²

The knowledge that the view on the Western Balkan by the average European is rather

negative, and that this view is taken into account by the politicians, is rather depressing for the citizens of the region. They are a largely seen as criminals who as soon as they get the chance will leave their country to exploit the social security systems of other member states while taking the jobs from the member states citizens. This is a view which has to be changed, and it is mainly the job of EU and the national politicians within the EU to do so. It is not acceptable using scare propaganda about the aspiring countries as the "others" for own political purpose.

Conclusion

Instability within Western Balkans would be a threat to the stability within the EU as well. This includes organized crime, which is a direct consequence of the region's instability, but also the risk of more conflict within the region. It is therefore in the interest of the EU to promote stability in every way possible. One of the most effective ways of so doing is a speeded up accession process were steps toward a full integration are to be taken frequently and mutually by both parties.

The nationalism issue is one of the most serious concerns for the region. There are still clear division lines between ethnical groups in every state of the region. Creating stability and economic growth is one of the most secure ways to prevent nationalism emerging, since in times of socio-economic unrest nationalism is more likely to turn violent. It is therefore of extreme importance to keep the stability, and further improve it, within the region.

In order to stabilize the region a speeded up accession process towards EU membership is of great importance. Not only is the European integration a way of ensuring economic growth

¹¹ Brnic, Anna **Not only the war crimes row is turning Croatian opinion off the EU**

¹² Bengtsson, Rikard 2004. Historisk Brytpunkt i Europa, Studentlitteratur, Lund University

and more stable democratic institutions, it is also a way of making the people of the Western Balkan to feel included and welcome. This feeling of being included and welcomed into Europe can downplay the importance of ethnic belonging. The ambition of a full European integration is something that unites the people of the region; it is something which for most people is a sign of hope. This common aim and sign of hope is one of the reasons why we have seen a stable progress in the region over the last couple of years. In order to continue with this progress, there is a need of getting rewarded by the European community for the progress made. What is not needed is a feeling of the efforts being worthless, or a feeling of that Europe does not really want the countries of the Western Balkan to join the EU.

From the European perspective there are three major things to be done. The first one is already mentioned above, giving the states rewards for their progress. There has to be a feeling of progress. A successful Croatian negotiation and a starting date for the Macedonian negotiations would stand as prove of something actually happening, as would a more liberal visa regime. The second and third commitment is largely intertwined. The second one is to change the European opinion on enlargement. Having a look at the arguments used by opponent and supporters respectively, it is shown that the main theme behind the opponent's argument is fear. Therefore it is necessary to promote the enlargement as a possibility, for Europe as well as for the region and to focus more on the arguments used by the supporters; improving the lives of the citizens within the aspiring states by fostering democratic values and stability and to make the European Union stronger. Connected to this is an internal struggle within

the EU, where national politicians use rhetoric of fear to promote their political interest. This is a struggle important not only to maintain the democratic values within the EU, but also to make the aspiring states feel more welcome.

From the region's point of view the main task is to continue with the reforms and also make sure they are implemented in appropriate ways. In the case of Macedonia, the Commission progress report concluded that the progress is continuing, but at a slower pace. It is the responsibility of the governments to show in every action that a full EU integration is on the top of the agenda and to speed up the progress is vital. A clear EU commitment will help the governments to do this.

There is a need to understand that the integration is a process that at the end of the day will benefit the people of the region. Therefore every reform, every initiative of regional cooperation, and every implementation needs to be seen as an attempt to make the state stronger and as a way of improving the life of the citizens. If they do this, than the EU should not be obstructing the process by setting up further restrictions, making the goal seem unreachable.

The EU has many times showed that it has the possibility to create a long term positive stability. It now has one great opportunity to show it once again, and they really cannot afford not making it this time. It has together with NATO and the UN been part of creating the somewhat fragile stability we now see in the Western Balkans. It has been shown that peace-keeping missions can generate an end to conflict, but not eliminate their causes. The ability of the EU to promote peace outside the strict military

sector is one of their main advantages, and together with the commitment of the regional governments they can do it once again.

One year after Macedonia was granted status as a candidacy country, the political and public will in Macedonia is obvious. So is the fact that there still are problems within the country, and the region, that needs to be handled. The need for feelings of appreciation and belonging within the region is huge. The main question is what has happened with the EU commitment, is it still enough to speed up the accession process?



name: **Agim Selami**
 degree: Student in Public Administration
 country: Macedonia
 e-mail: aselami@analyticamk.org
 agimselami@hotmail.com

RELATIONS BETWEEN MACEDONIA AND EU

Throughout history, the idea of a closer integration of European states has been expressed in different political ways. The dream of the Europe "fathers", to see Europe free, prosperous and without wars and frontiers, seemed realistic only after the end of the Second World War.

One of the biggest fans of a unified Europe Robert Schumann, considered Europe not just as a life ideal, but, as an unbreakable conviction, something worthwhile to which to dedicate one's life.

The first steps which marked the beginning of the long unifying stages were the establishment of the Coal and Steel Community in 1951 and the establishment of the European Economic Community in 1957. Other treaties followed and they were essential in strengthening the whole integration process.

What the EU challenges most is the Enlargement process, a process that has started with the birth of EU and is still going on with the only aim to make EU a big family and expand the area of peace, stability and prosperity that will enhance security for all citizens of Europe.

Economic and political integration between the member states of the European Union means

that these countries have to take joint decisions on many matters. So they have developed common policies in a very wide range of fields - from agriculture to culture, from consumer affairs to competition, from the environment and energy to transport and trade.

The European Union's relations with the rest of the world have also become important. The EU negotiates major trade and aid agreements with other countries and is developing a Common Foreign and Security Policy¹³.

Since its independence, the Republic of Macedonia continually has expressed its willingness to be a state member of the European Union despite of the fact that it has passed through destructive periods like: the depressive national economy, the refugee crisis from the wars in Bosnia and Herzegovina and Kosovo and the hardest one, the inter-ethnic conflict in 2001.

In order to be a member state, Republic of Macedonia must meet the three major criteria that are provided by the European Council:

- First, the political criterion: the Republic of Macedonia must have stable institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities.
- Second, the economic criterion: the Republic of Macedonia must have a functioning market economy and be able to cope with competitive pressure and market forces within the Union.
- Third, the criterion of being able to take on the obligations of EU membership, including adherence to the aims of political, economic and monetary union. This means candidate countries must adopt the entire body of EU law-known as *acquis communautaire*¹⁴.

The crucial events that clearly expressed the political commitment of the Republic of Macedonia to join the European Union were:

- The agreement to be eligible for assistance from the EC PHARE programme in 1996;
- The signature of the Stabilization and Association Agreement in April, 2001;
- The application for membership on 22 March 2004;

¹³ National strategy for European Integration of the Republic of Macedonia, Government of Republic of Macedonia, Skopje, September 2004

¹⁴ Europe in 12 lessons- Pascal Fontaine

- The coming into force of the Stabilization and Association Agreement on 1 April, 2004;
- The acknowledgement of the Republic of Macedonia's candidate status on 17 December, 2005¹⁵.

Stabilization and Association Agreement

(SAA): Following the conclusion of the negotiations at the Zagreb Summit of November 2000, the SAA was signed in Luxembourg on 9 April 2001 and entered into force on 1 April 2004. The SAA is a comprehensive agreement between the European Communities and their Member States, of the one part, and the Republic of Macedonia, of the other part. Similar to the "Europe Agreements" with the Central and Eastern European countries, the SAA provides the legal framework for relations between the EU and the Republic of Macedonia for the entire period prior to a possible future accession.

The candidate status: is a political recognition of a closer relationship between the EU and the country on its way towards membership. The Commission had considered that negotiations for accession to the European Union should be opened with the Republic of Macedonia because the Republic of Macedonia is well on its way to comply with the political criteria for EU membership. It is a functioning democracy, with stable institutions which generally guarantee the rule of law and the respect for fundamental rights. The implementation of the Ohrid Framework Agreement, signed in August 2001 to put an end to the very serious political and security crisis which was developing in the country, has been a major achievement. Solid

commitment and very significant efforts have been demonstrated by all parties concerned. It has opened a process to build an integrated multi-ethnic society and guarantee the stability of the country, thus creating a positive environment for integration with the EU.

The Commission considers that negotiations for accession to the European Union should be opened with the Republic of Macedonia once it has reached a sufficient degree of compliance with the membership criteria¹⁶.

The EU Mission in the Republic of Macedonia

The EU Mission in the Republic of Macedonia is assigned to monitor closely the developments in all areas in the Republic of Macedonia. It will present a report to the Council on the progress achieved by the country by the end of 2006.

On the 1st of April 2003, the EU began its first military mission in the Republic of Macedonia named Concordia. This mission took over from NATO to ensure continued stability in this small country. Politically, this mission was welcomed and extremely important for the country, having in consideration its willingness to join the EU. This mission was aimed to symbolize EU's military capacities, concentrated in the Republic of Macedonia. However, it also shows how limited these capabilities are and how dependent they become, when such a small mission (250 men) was only possible after an EU-NATO agreement on the EU's use of NATO's assets.

In general, the EU Mission has a double role: it represents the European Union's Council of Ministers and the European Commission (European Union's executive body).

The Delegation of the European Commission was officially opened in March 2000, as the highest level of representation for the European Commission in countries that are not members of the EU. The Delegation's main objective was to facilitate the development of political and economic relations between the European Union and the Republic of Macedonia in the framework of the Stabilization and Association process.

In 2001, a Special Representative (EUSR) was appointed by the European Union's Council of Ministers with the main objective of contributing to the consolidation of the peaceful political process. The EUSR has particular responsibility for the European Union's Common Foreign and Security Policy.

The EU Mission represents the Council and the Commission and serves as a contact point between national authorities and the decision-makers in Brussels. It is the channel for day-to-day communication between the Council and the Commission and the country. Regular dialogue is maintained with policymakers, opinion leaders, experts and civil society.

Since the granting of candidate status the work of the Mission has focused increasingly on monitoring and reporting on compliance with the political and economic criteria for membership of the EU, and alignment of legislation with EU legislation as well as capacity to implement and enforce it.

One of EU Mission's key tasks is to inform the authorities, institutions, media and citizens of

¹⁵ National strategy for European Integration of the Republic of Macedonia, Government of Republic of Macedonia, Skopje, September 2004

¹⁶ <http://www.western-balkans.info/htmls/page.php?category=355&id=858>

the Republic of Macedonia about the pre-accession process and about the EU institutions and policies.

Currently, the Head of the Office of the EU Mission to the Republic of Macedonia is Ambassador Erwan Fouere¹⁷.

The EU assistance mission in the Republic of Macedonia

In order to help the Republic of Macedonia in joining the European Union as soon as possible, the European Union has assigned a set of assistance in many different areas.

The main objectives of the European Union assistance are:

- The EU aims to support the achievements to date in the field of democracy by strengthening the institutional and administrative capacity of the state and of the actors of the civil society.
- The EU aims to assist the government at central and local level to facilitate the process of economic and social transformation towards a market economy.
- The EU aims to bring the Republic of Macedonia closer to EU standards and principles, and to assist the country in the framework of the Stabilization and Association Process¹⁸.

Main areas of support include:

Inter-ethnic dialogue: The EU provides its assistance to ensure a successful performance

of the 2001 Population Census. The objective is to provide an impartial assessment on the performance of the Census and contribute to build confidence in the process across all ethnic groups populating the country.

Support to enterprises and the financial sector: The EU supports the Republic of Macedonia in its efforts to make the economic and commercial legislation compatible with that of the EU through technical assistance to draft new laws.

Justice and Home Affairs: The overall objective of EU assistance is to contribute to strengthening the country's judicial system and helping it improve internal and regional security through the development of an Integrated Border Management strategy and the improvement of its capability to fight organized crime.

Transport (Cross-border, EIB, Phare...): Two key transport corridors cross the country and intersect at Skopje. They form part of the EU-wide "Trans-European Networks" (TENs), and are known as Corridor 8 (E-65 East-West: Durres-Tirana-Skopje-Sofia-Varna) and Corridor 10 (E-75 South-East-North: Thessaloniki-Skopje-Belgrade-Zagreb-Passau or Munich). Improvements to these roads are funded as part of an overall programme for upgrading transport infrastructure.

Agriculture: The EU is assisting the Ministry of Agriculture in policy and strategy development for the transition to a market economy, and in order to bring animal and plant health controls to EU standards.

Environment: The EU helps the relevant Ministries in the development of national

strategies for waste water and solid waste. Support is given to the Ministry of Environment to manage and enforce national environmental policy.

Education: The EU contributes to the construction of the South East Europe University (SEEU) in Tetovo, the first official university institute providing tuition in Albanian language (as well as Macedonian and English). The Republic of Macedonia takes an active part in the EU inter-university exchange programme TEMPUS.

Social sector: The EU aims to assist the Minister of Labor and Social Policy to develop social welfare policies in line with EU best practice.

Local government development: The main objective of this EU assistance programme is to strengthen the capacity of the Ministry of Local Self-government to manage the process of decentralization, and to enhance the dialogue between the different levels of government: central and local.

Cultural development: The EU assists the Ministry of Culture with a cultural development programme which aims to develop commercial and autonomous management of cultural institutions, financial assistance to upgrade major national cultural institutions, a fund for small projects related to cultural activities and support for the conservation of monuments.

Democracy and civil society: To strengthen the civil society and the social network, the EU funds projects aimed to develop the activities of NGOs for example to support families with disable children or to help social integration of marginalized Roma communities.

¹⁷ http://www.delmkd.cec.eu.int/en/about_us/role.htm

¹⁸ <http://faq.macedonia.org/politics/eu/eu.assistance.pdf>.

Reforms in the public administration: The EU gives key assistance in the reform of the public administration. It also helps setting up a statistical system compatible with that of the EU¹⁹.

The Republic of Macedonia 2006 Progress Report

This report is the first report on progress made by this country in preparing for EU membership.

The latest monitoring report on the Republic of Macedonia from the European Commission, released on 8 November, has criticized the Gruevski administration for mass political hiring and firings, and for a lack of co-operation with the opposition.

The report also praised progress in several areas. The Republic of Macedonia "has continued to make progress, although at a slower pace in 2006", the EC report said. It praises Macedonia for its "constructive position on Kosovo status talks", as well as for efforts to create an information society. It notes progress in employment, food safety, veterinary and phytosanitary policy, social policy and some aspects of transport policy, taking note also of legislative progress made towards a customs union.

The EC is also critical of what it describes as a lack of communication and co-operation with the opposition, in particular with Ali Ahmeti's Democratic Party of Integration (DUI).

The head of EU mission in Macedonia, Erwan Fouere, urged the government and political parties to show greater unity regarding reforms. "I appeal to all political parties to unite in achieving political consensus for continuation of the reforms. Also I appeal the government to run an extra mile for the reform process," he said, commenting after the EU Commission report had been issued.

One year after achieving EU candidate status, Macedonia has not been given a date for the start of membership negotiations. Gruevski and his government had said they did not expect the report to mention a date, though they insist the talks could realistically begin some time in 2007. Sources in Brussels suggest Macedonia could hope for membership between 2012 and 2014²⁰. The report could be best described with the words "mixture of praise and criticism"!

¹⁹ www.eudelyug.org/en/documents/FRYOM-contributionse.htm

²⁰ http://www.sussexineurope.org/news_2.htm#Macedonia



name: **Agata Wolska**
 degree: Masters in Public Administration
 country: Poland
 e-mail: awolska@analyticamk.org
 agata.w3@wp.pl

POLISH VIEW ON THE INTEGRATION OF WESTERN BALKANS INTO EU

Regional cooperation is a specific requirement under the stabilization and association agreements, which are already in place with the Former Yugoslav Republic of Macedonia and Croatia. In this context, regional cooperation is therefore a cornerstone of the EU's policy framework for the western Balkans — the stabilization and association process, which offers to the countries of the region the possibility of eventual EU membership.

The purpose of this Report is to describe the position of Poland in the ongoing process of the Western Balkans integration with the European Union.

This study examines, that on the way of integration emerge a variety of questions of the future of Europe. Poland pose the questions whether the region of Western Balkans is not too unstable to integrate with the EU? Is the criminality in this region too extensive? What kind of profits will have the members of EU after the expansion?

The conceptual framework consists of descriptive categories for the Relations between the Member States, EU and candidate countries.

Political and Economic Transformation

Since economic reconstruction has just started in this region, the country has primarily worked on the reconstruction of destroyed infrastructure so far. The western Balkans consisting of former Yugoslavia countries are underdeveloped due to conflicts and worsened economic environment. Ukraine and Moldova have not rid themselves completely of the former planned economy. For these countries, support from the international community is still called for.

The western Balkan countries have now realized that they have responsibilities towards each other and that they have many challenges in common, some of a cross - border nature. They see now the considerable benefits of increasingly close regional cooperation - political understanding, economic and social prosperity. This new resolve to address issues of common relevance in a cooperative manner is reflected by concrete progress on the ground. We note increasingly stronger support among the countries of the region for the development of regional ties. It is very encouraging that the areas of trade, energy and transport are among those where regional cooperation is the most substantial.

Europe is now more open, during the last 10 years the way of thinking has changed. Europe

wants to maintain a political stability and create one common internal market. For the candidate countries, very important is cooperation with their neighbors, to help each other and maintain good political and economic relations.

EU Reasons for Integration with Western Balkans – Polish View –

Chances and Threats

The European Union has its own reasons for pushing on the integration of Western Balkans. According to Poland, the reason for integration is simple. There are many for and some against reasons. Besides offering new markets and access to the Black Sea, the delay in accession may pose a threat to EU funds. Even if they do not join the EU in the near future, Europe will continue to support reforms implementation and compliance with integration requirements.

The more the integration of the Western Balkan countries will be delayed, the more funds will be spent, and probably not in the most appropriate manner. Besides this, transposition of democratic values, economic, political and social standards would be more efficient inside the European Union, rather than outside.

The EU presumed time of Balkan enlargement.

Separate accession talks are already being conducted with the Balkan countries, where EU is actively involved in post-war reconstruction, reconciliation and development programs. Croatia and Former Yugoslav Republic of Macedonia are already candidates for EU accession (FYROM have not started accession negotiations yet). Other Western Balkan countries - Serbia and Montenegro, Bosnia and Herzegovina and Albania are looking forward to join EU. They are engaged in Stabilization and Association process and, therefore, are on their road towards the accession to the Union, with "EU membership as ultimate goal". It is just a matter of time when those countries will become candidates and then members of the EU.

Despite the fact that their pre-accession negotiations have individual approaches, it is most likely, that they will join the Union together as a group and not apart from each other. If Romania and Bulgaria would be to accede together with the Balkan countries, it would mean putting them on hold for another 5-10 years.

The EU's fundamental aim for the Western Balkans region (South East Europe) is to create a situation where military conflict is unthinkable – expanding to the region the area of peace, stability, prosperity and freedom established over the last 50 years by the EU and its member states.²¹ Poland is absolutely for this statement. Europe shares the common values and traditions like freedom, human rights, tolerance. The existing borders do not create a division, don't separate each country and do not isolate.

The Western Balkans should be seen like a great economic potential. In a future this potential would support European Union in the global economic rivalry.

European Union uses two models of stabilization policy with the relations with the Balkan Countries. This policy is based on the partnership and cooperation with new (future) member countries.

From the political point of view, the of range of changes needed for the good progress of reforms must have credible justification in the eyes of the public opinion in the country. This justification is the approach to the field of European Integration.

This step forward would cause:

- More constant political dialogue (The Confederation Council) with the regular consultations, in the field of economy, internal cases, energy
- The liberalization of commerce
- Engagement of European Union in the development of the infrastructure.
- Regular consultations on the shaping Common European Policy of Security and Defense.
- Assure the controlled open borders, cooperation of the border bodies.
- Close cooperation on the field of internal affairs.
- Regional cooperation (exchange of young students, access to educational programs)

According to Polish Ministry of External Affairs the EU and Western Balkans cooperation should focuses mainly on enhanced political and economic cooperation as well as the creation of a free - trade area within the next ten years. Therefore according to the Poland, Western

Balkans countries has to push for reforms focusing issues such as press freedom, institution building, and respect for ethnic minorities or observing international standards in municipal elections.

Threats

Taking into account the concept of threat of the Western Balkans entry into EU there are the chances and the threats. In this area there is a possibility of conflict or crisis. There is also a problem of emigrants (due for example to the future eventual conflicts.) But on this area one can observe a political change that drives to the cooperation with other states.

Taking into consideration the question that emerge whether the area of Western Balkans is not to unstable to integrate with the EU, and whether the criminality in this region is not to extensive?

Polish authorities underline that Western Balkans overcome a long way of the instability, conflicts and wars. The perspective of joining the European Union is the best solution to strengthen the stability and security in the region. To strengthen the stability and security in the region of Western Balkan is very important to the European Union and for the other member States.

In some parts of the region of Western Balkans still there criminality and corruption is present. But during the last years Western Balkans made a progress in fight with corruption and criminality. Poland agree that after joining the European Union the security in the region will be better provided, there will be create the new and better police to fight with the criminality. The expansion process is a very good way to

²¹ EU News and Policy Positions -article, Publisher Tuesday, 21 September 2004, updated, Wednesday 14 June 2006. www.euractiv.com

motivate the member states to resolve the criminality and corruption problems by the close cooperation.

Western Balkans will have to accept the EU standards about border control and emigrants.

Chances

After the accession the Europe will observe that in the consciousness of the European community will emerge the changes in the form of thinking about sovereignty and human rights.

According to Committee of the Integration with the European Union in Poland, the accession of Western Balkans to the EU will increase the stability and security in Europe. The accession will be profitable for all member states increasing commerce, agriculture, brings the possibility of international education, travels.

Concluding, I would state that Western Balkan Countries have to join the European Union in a near future as initially planned. First should be Croatia (good economic and political situation) Their compliance and integration efforts are driven by the fact that their neighbors, which are not at considerably higher development levels, have been recently accepted.

First of all we have to realize that there is no other choice, The European Union is the biggest peace project ever in the history and must continue on this path even if it does not look this way like sometimes and national egos seem to dominate. According to the Polish authorities the process of EU enlargement of the Western Balkans countries will be the historic

enlargement.²² The new structure of the European Union will support trade, agriculture and will help to increase the integration of the European agriculture. According to the Polish Committee of the European Integration, the accession of the Western Balkan countries will strengthen the EU significance and its influence at the international scene.

But what is the Polish contribution to the responsibility of the decision making process (as one of the EU member states) in the Western Balkans integration to the European Union issue? According to Mr. Adam Hałaciński²³ Poland try to support Western Balkans in the integration process. Poland is not able to help those countries in the financial way (that means that Poland is not fully a member of the Stability Pact), but Poland will help to realize the integration goals of western Balkans.

According to Mr. Hałaciński Poland contributes to the stabilization in Balkans. Poland has a possibility to support the Western Balkans. Poland concentrates on the transformation process and democratization. Poland realizes the supporting programs for the countries from this region. There is a notable activity of the Non – Governmental Organizations²⁴ that wants to help those countries.

This is a chance for Western Balkans countries for a better life and more humanitarian roles. The goals were indicated press freedom, property rights, institution building, respect for ethnic minorities and observing international

standards in municipal elections. These efforts should be done after joining the EU.

Bibliography:

1. www.msz.gov.pl
2. *Instytut Studiów Strategicznych publications – Instytut of the Strategic Studies*
3. *Zapis dyskusji na konwersatorium Fundacji Polska w Europie w dniu 18 maja 2001 roku - Unia Europejska a Balkany. Problem odpowiedzialności politycznej i bezpieczeństwa*
4. www.ukie.gov.pl – *Committee of the European Integration. - documents from the Commettee of the European Integration In Poland.*
5. www.europa.eu.int
6. *EU Commission Directorate General for Enlargement , Unit B2 – The Former Yugoslav Republic of Macedonia, Office CHAR 5/226*
7. *European Enlargement of 2007: What if plan A fails? by Olga Melnicuc , Monday, April 3, 2006, www.demos.acc.eu.org*
8. *1 EU Commission report, 2005 "Regional cooperation in the western Balkans A policy priority for the European Union" European Communities, 2005 Reproduction is authorized provided the source is acknowledged. Printed in Belgium*
9. *ICA 2005 Annual Report, Chapter 6 Pillars of Aid Aiming for Consolidation of Peace and Economic Development in the Western Balkans*
10. *EU News and Policy Positions -article, Publisher Tuesday, 21 September 2004, updated, Wednesday 14 June 2006. www.euractiv.com*

²² www.ukie.gov.pl – documents from the Commettee of the European Integration In Poland.

²³ Adam Hałaciński – Vice President in the Ministry of External Affairs in Poland, Department of Europe.

²⁴ Caritas and Poland – Polish Humanitarian Action

11. ¹ *European Union – Open for the New Members and the Word – paper focused on the future of European Union*
12. *The Future of European Union” - Danuta Hubner – Polish Secretary of State in the Ministry of External Affairs of Poland, the Representant of Polish Government in Convent.*
13. *Albania and EU sign pre-accession deal” - article, 13.06.2006*
14. *European Union and Balkans – The problem of Political Responsibility and security. The discussion “Poland in Europe” 18.06. 2001*



name: **Alex Ciochina**
 degree: Master studies on Financial and Banking Management
 country: Romania
 e-mail: aciochina@analyticamk.org
alexbogdan82@yahoo.com

THE EFFECT OF ROMANIA'S EU MEMBERSHIP TO WESTERN BALKANS PROSPECTS

I. Romania; General Overview

With its over 22 million inhabitants, Romania is located in the South Eastern part of Central Europe having as neighbors Ukraine, to the North, the Republic of Moldova and Ukraine, to the East, and also the Black Sea; to the South, Bulgaria and Yugoslavia, and to the West, Yugoslavia and Hungary. This geographical position is a major advantage considering that Romania has a large percentage of mountain area which is a rich source of coal, iron ore, wood, gold and silver, and other metals, including Uranium. The plains in Romania are very well productive in terms of agricultural products, mainly grain, corn, sun flower and other plants used in the farming industry. The access to the Black Sea as well as the wide access to the Danube River increase Romania's importance as a trader. A very important natural resource is the oil that can be found in several areas around Romania and that has been an immense source of profit and interest for oil companies in the West European countries and in the USA. At the same time, Romania has a big resource of natural gas, which at the moment is supplying 67% of the country's needs, covering entirely the gas need of the Romanian population and at least 30% of the industrial needs.

Foreign investments have been able to balance things in a small proportion though, as even if Romania's location presented the country as a very good target for investors, the high level of bureaucracy and the attitude of the post communist governments towards foreign investments turned many of them away. Thus, many of the ex industrial facilities, still owned by the state by the mid '90s started to "die" leaving thousands of people without jobs.

Things met a certain improvement when in the late '90s the government decided to strengthen the private sector by selling the majority of the state owned companies to private people and companies from Romania and from abroad. This meant that the economy would be less centralized and more private. That decision was a major step towards the market economy. But, things have started to show a less attractive side very soon, as some of the foreign investors found out that they can increase their own profits if they reduce the number of personal from the low productive sections of their companies.

The beginning of the negotiations with the European Union meant for Romania that it had to change perspective and to adapt to the rules and requirements of the Union. Those rules and requirements concerned not only the economic sector, but all the other sectors as well (health,

education, tourism, the political sector, and the social sector). This way, Romania had to adapt its strategies to coincide with the ones of the Western European countries. This was not to be an easy task and Romania would be supervised by special delegates from the European Commission. They were to make a report about all the developments and the non developments that Romania was coming across.

At this time the country became more accessible and much more interesting for foreign investors as well, which in the last few years have already invested several billions of Euro. The most impressive investments in Romania were:

- the purchasing of 51% of Dacia Automobile by Renault in 1999
- the acquisition of %51% of the largest oil group in Eastern Europe, Petrom, by the Austrian company OMV
- the 51% acquisition of the biggest Romanian bank, BCR (the Romanian Commercial Bank) by

One of the major problems that Romania was facing was corruption. This has been a plague that has infected all the institutions of the state, creating a major illness for the whole society. This created a major disadvantage for the

honest people that had no interest and no will to pay the "unofficial taxes", and on the other hand presented a major benefit for the people that had no problem with committing acts of corruption. The lacks of measures against these problems lead to the "infestation" of all sectors of public life in Romania.

The European Union has noticed this problem in Romania and during the negotiations strict measures were imposed so that the government could reduce and punish any act of corruption. Although strict measures have been imposed, co things have not changed dramatically in all sectors, many of the illegal acts still taking places today under the cover of an imperfect legal system. This is why the European Commission will still monitor Romania on this aspect even after the integration at the 1st of January 2007.

The investments that took place after the late '90s in the city areas have advantaged mainly the young graduates and the specialists from certain domains, but it also meant a real chance for the non qualified work force that has been mainly focused in the constructions industry. Several fields presented a high interest for the investors:

- real estate
- oil industry
- textiles industry
- construction industry
- IT
- pharmaceutical industry

All these investments had as a big effect the reduction of the rate of unemployment and the rising of the average wages in certain areas and in certain fields. Thus, although very far from the actual value of the wages in West European

countries, Romania has started to get on the right track, but after suffering a few years of economical decay.

A growth of the investments and of the quantity of strong currency, on the Romanian monetary market has occurred due to the fact that from the mid '90s a lot of Romanian people went aboard to look for work, mainly in Italy and Spain, but also in Germany, France, the Benelux countries and in some middle east countries as well. The number of Romanian nationals working abroad has grown spectacularly especially after countries like Greece, Italy and Spain, allowed people that worked illegally to get legal papers without any penalties and without any big expenses. This is why at this moment, one in five Romanians works abroad.

The effect of these workers on Romania's economy was great. All these people sent home a large amount of money, of strong currency (mainly euro or US dollars) which became present in big quantities on the monetary markets strengthening the Romanian monetary unit and keeping it within certain areas of fluctuation, as requested by the European Commission.

II. Western Balkan area's relationship with Romania

The Balkan area has been in a continuous transformation and has been a place of great instability during the last centuries. The reasons for this instability can be found in the political and economical advantages that this region offered to anyone that "controlled" it. This is the case for the great number of wars that took place here between the Ottoman Empire and the Hapsburg Empire or the later Austro Hungarian Empire for controlling these regions

from Greece in the South, to the old Romanian regions, to the East and North, and to the Serbian, Macedonian, Montenegrin and Albanian regions in the West and South West. In other words, the entire extended Balkan region was of great interest to the Great Powers of the time. So, all the peoples from this region had a common goal in the last 2 centuries: obtaining their independence. This way, fighting more or less the same battle, strengthened the relationship between the peoples in these regions.

The fast growing economies in the West Balkan countries have generated new markets for their products in Romania, and some of the primary materials that had very good prices in Romania were exported in those countries as well. Thus the economical relationships were also developed.

Romania has also sustained all the pro European governments and movements in these regions and has offered its assistance and expertise that it gained from its integration process.

III. The West Balkan area's prospects after the 1st of January 2007

The 1st of January 2007 has been set as the date at which two more countries from Eastern Europe shall be joining the European Union thus eliminating all barriers of economic nature and enabling the economical resources to move freely within the community. Romania and Bulgaria are the last two countries that have ended a long process of negotiations with the European Commission, closing all champers of negotiations and agreeing and creating the base structure for the new extended European Union.

The effects of the extension of the community will, as it is expected, work some changes of economic nature of the surrounding regions, including the Western Balkan area.

This area has suffered some changes of economical nature at the last wave of European integration, when Slovenia, one of the countries of this region has joined the E.U.

To go into a deep analysis we need to name, in a first instance, the sectors that will be affected after the 1st of January 2007. These are:

- the trade sector, and mostly the commercial sector for primary materials
- the industry sector
- the real estate sector
- the labor sector
- the political sector

a). Trade

As it has happened before, in 2004 when Slovenia and Hungary joined the EU, trading patterns have modified as a result of the different taxation in the EU as opposed to the level of taxes in these countries before the integration. After the changing of these trading patterns, Romania has as well benefited as did Croatia and Macedonia. This way Romania became a very strong supplier of cheaper products, mainly food products, but at the same time, a great market for real estate investment, and industry investment, because of the very low level of wages.

After the 1st of January 2007 the countries that will profit most from Romania and Bulgaria's integration will be The Republic of Moldova,

Ukraine and the West Balkan countries. The trading patterns of certain products shall change to the advantage of these countries. By the rule that 'the strongest always rules', the major advantage will be drawn by the most developed countries in the region: Macedonia and Croatia.

The reason why Moldova or Ukraine will not get a very big advantage is the fact that the political and economical development of these two countries is still influenced in great part by their relationship with Russia. At the same time, both countries suffer from an economical crises that has affected them for years.

Serbia, Albania and Bosnia and Herzegovina are the most unstable countries in the region, thus presenting little interest for the investors. These countries have a very strictly controlled economy due to the international forums that try to keep a certain political stability.

Croatia will be little advantaged by Romania and Bulgaria's integration as, although it has a strong and growing economy, it is located quite far from the two, being separated by the countries of the former Yugoslav republic. Thus the country shall still keep the economical and commercial advantages with Slovenia and Hungary, both members of the EU from 2004.

b). Industry

The industrial sector will be further advantaged in the Western Balkan countries, as these many investors will find an opportunity to invest here because of the cheap production costs in this area.

c). Real estate

The prices of the land and buildings shall rise much faster in the Western Balkan area after the real estate markets will be stabilized in Romania and Bulgaria. Macedonia and Croatia are the countries that will benefit most from these real estate ventures.

d). The social point of view

From the 1st of January things will take a new form from the social point of view in the Western Balkan countries as well. Over here, the fact that the EU has arrived one step closer will mean that some social changes will take place. More and more people from this region will work and live in the EU countries and they will learn and they will adopt some of the social features of the union. This will only benefit the countries like Macedonia and Croatia that will one day join the EU as well.

e). The political point of view

The pro European trend is more and more present in the Central and Eastern European countries. This trend has so far extended the EU to the East, and the last extension will take place on in January 2007.

From the political point of view, this trend is making its presence felt more and more by the high rise of the pro European governments in countries like Macedonia or Ukraine. These changes in the perspective of these countries will advantage them a lot and will, and has taken them a few steps closer to the EU integration.

The new sets of reforms from these countries have and will play a very strong role for the country's integration to the EU.

III. Conclusions

The general and most important conclusion so far is that Romania's integration, along with Bulgaria, to the European Union, will have a great effect on the Western Balkan Prospects.

Romania is an important country for the East European Region and it has developed and will continue to develop a strong economy. This will bring some advantages for the countries in the western Balkan area, as most of the Romanian investors, and foreign investors will look for new markets to invest in, considering that the investment opportunities from Romania and Bulgaria will start to eliminate from the capital markets a lot of investors, by raising the investment standards and rules.

Macedonia and Croatia are the most favorite investment markets and they will be more and more attractive even for Romanian investors after January 2007.



name: **Beliz Erol**
 degree: Masters` in European Politics
 and Policies
 country: Turkey
 e-mail: berol@analyticamk.org
 erolbeliz@yahoo.com

EFFECTS OF TURKEY'S EU INTEGRATION FOR THE WESTERN BALKANS

Turkey's integration to the EU, affects not only the EU but also the Western Balkan countries that are willing to integrate with the EU. The purpose of this report is to indicate the possible impacts of Turkey's EU integration on the Western Balkan countries; Croatia, Bosnia and Herzegovina (BiH), Former Yugoslav Republic of Macedonia (FYROM), Albania, Serbia and Montenegro.

After clarifying the relationship between Western Balkans and Turkey so as to better express how Turkey's integration to the EU affects the Western Balkans; this report will highlight the possible impacts of Turkey's membership to the EU on the Western Balkan countries.

Turkey is geographically and historically a Balkan country. The Balkan region had been under the dominance of Ottoman Empire nearly 500 years. During these years, the religious, ethnic, economic and cultural structures of the Balkans had been affected by the Ottoman heritage. Although, territorially the Western Balkans has been separated from the Ottoman Empire, the Ottoman impact in everyday life has still continued. Beside these, with the end of the Cold War, Turkish Republic has had close bilateral relations with the countries in the Western Balkan region.

Albania is the major ally of Turkey in the region because of close historical, cultural and humanitarian ties. Turkey has provided diplomatic, military, police and judicial training to Albania, built industrial and educational facilities. In addition, Turkey has supported Albania's submit to join the European Institutions. Croatia and Turkey has close working relations. They signed Agreement on Trade and Economic Cooperation which aimed to contribute to the economic cooperation and increase the trade exchange between these two states. Turkey has close relations with Bosnia and Herzegovina because of the historical, cultural and religious ties. The Bosniacs-Bosnian Muslims see Turkey as a protector. During the Bosnian War, Turkey played crucial role to end the war. In the international arena, Turkey has supported BIH. Turkey and Macedonia are almost strategic partners. Turkey has provided financial, economic and humanitarian assistance to Macedonia. Turkey has supported Macedonian Atlantic and European accession. In the last years, economically, Turkey is investing more in Macedonia. Today, there is no any open issue between Macedonia and Turkey. During the Yugoslav disintegration, Turkey and Serbia had problematic relations. However, Turkey has applied soft policies towards Serbia and it has tried not to turn Serbia into an enemy. Today,

commercial ties are improved between these two countries.

Possible Effects of Turkey's Integration to the EU for the Western Balkans

History, culture, religion and economic relations are the factors that connect the Balkan region and Turkey. In this sense, any crucial development in one region directly affects the other one. Since Turkey's integration to the EU is a crucial development, it will have effects on the Western Balkans. There are four main possible affects of Turkey's membership on the Western Balkans; these are: restricting the ethnic tension in the region, helping to integrate the Western Balkan region to the EU, extension of support to the region and increasing regional cooperation and development.

I. Turkey's candidacy to the EU will help the union to restrict the ethnic tension in the Western Balkans (Laciner, 2005, p 1). After the Soviet Regime, these countries have tried to apply the process of Westernization. Since they identified their state identity as "nation state" it became problematic. Although there is not any violent conflict today, there is still possibility that the tension in the region will increase. That is because the Western Balkan countries still have minority problems. Since Western Balkan

countries are potential candidates, EU has tried to promote stability, security and prosperity in this region. At that point, Turkey's presence in the Union will bring additional advantage to the EU. Turkey has advantages compared to the EU states; firstly because of its soft and constructive policies towards the Western Balkans, especially during the conflicts. Turkey played a role of conciliator so as to ensure stability and peace; and tried to sustain atmosphere of understanding and peaceful cohabitation between the parties. Today, most of the states in the region have chosen Turkey as an ally or strategic partner. Secondly, Turkish armed forces that has participated peacemaking and peacekeeping operations are the most effective forces. These forces also have contributed to the reconstruction and humanitarian activities. Thirdly, although it's long dominance in the region, Turkey has never had territorial claims. Fourthly, the Turkish minorities in the region have not sought secession and they stayed neutral during the conflicts (Laciner, 2005, p 2). With Turkey's membership to the EU, the policies to restrict the tension in the region will be more effective.

II. The aim of the EU policies towards the Western Balkans is to strengthen the region's European perspective and to eliminate the nationalist feelings. In this sense, EU supports the economic, political and administrative developments in the region. Official relationship with the EU is held under the "Stabilization and Association Agreement" (SAA). The purpose of this agreement is to integrate the Western Balkans into the EU structure by providing political, economic, administrative and judicial conditions. Today, Croatia²⁵, FYROM and

Albania have signed the SAA; it is being negotiated with Bosnia and Herzegovina and Serbia and Montenegro (http://europa.eu.int/comm/enlargement/index_en.html).

However, it is not easy to integrate these Western countries to the EU. Beside the economic, political and judicial reforms, durable stability should be ensured in the region. At that point the important thing is to integrate the people into the European mainstream (http://europa.eu.int/comm/enlargement/index_en.html). Turkey's integration to the EU can help to integrate the Western Balkans to the Union. As it is mentioned above, Turkey's old history in the region enables it to understand the region with its complex authenticities. In the cases of misunderstanding or disagreements between the EU and Western Balkan states, Turkey can play a mediator role between the two. For instance, Turkey played an interlocutor role between Macedonia and West by supporting Macedonian territorial integrity and preventing instability in the region (TESEV, 2001). Since Turkey understands the nuances of tension in the region, it can restrict it and help to bring stability to the region. By this way, peaceful cohabitation can be ensured, which also brings integration of Balkan society into the Union's mainstream. Since some of these countries have a sense of betrayal by the West during the conflicts, with its abilities, Turkey is a valuable channel between the West and Western Balkans.

III. One of the important foreign policies of the Western Balkan states is to re-connect with the West. In this sense, the first step is to be a member of North Atlantic Treaty Organization (NATO) and to integrate with the West. Turkey has supported Western Balkan states'

membership to NATO. However, since NATO is a security organization, it is not enough for these countries' development and their integration with the West. Turkey's EU membership will expand the support to the Western Balkan region beyond the NATO-based security initiative (TESEV, 2001). Because of its good relations and historical ties with Western Balkans, Turkey can be a valuable channel for the expression of sensitive issues to its NATO allies and EU friends. Moreover, Turkey can participate in information sharing with Western Balkan states to integrate them with the West beyond NATO.

IV. Western Balkan region's integration is important for the durable stability and peace in Europe. In this regard, one of the purposes of the EU policies towards the Western Balkans is to ensure regional cooperation. The more they integrate, the more they developed. If the regional cooperation increased in the region, they would economically develop and they would learn to solve their problems in peaceful means.

Turkey's EU membership will definitely contribute to the regional integration and cooperation. As it is mentioned before, Turkey has good political and economic relations with Western Balkan countries. It can play a positive role in bilateral and multilateral relations for integration and cooperation in the region. Turkey's contribution to the regional cooperation and development can be on two different levels; state level and civil society level. On the state level, it might be on the issues of security, refugees, organized crime, human and drug trafficking, border control and illegal migration. Turkey can enhance multilateral regional cooperation between the governments. Developing trade, tourism, and education in the

²⁵ Croatia is already a candidate for membership in the European Union

region and supporting non governmental organizations are the examples of possible society level contributions. For example, Turkey has already contributed to construction of industrial and educational facilities in Albania. With Turkey's membership to the EU, these kinds of contributions will increase and become more effective that at the end, the region will integrate and develop.

CONCLUSION

In his book, historian Bernard Lewis said that under the Ottomans, the Balkans had enjoyed stability for centuries (Lewis, 2004, p 118). When Western imperial powers involved in the region, they had encouraged the ethnic uprising against the Ottomans, in order to weaken the empire. The ethnic clash in the Balkans is the product of this ethnic policy of the West. Today, the same European powers need Turkey to bring durable security and stability in the region. It is obvious that, Turkey's historical, cultural and religious characters combine with its economic and political ties with the Western Balkans, make Turkey a crucial player in the region. Turkey's role in the Balkans is defined as "honest broker". Abilities of Turkey give Turkey the capacity to contribute to regional stability and development.

Turkey's membership to the EU will be different from the other enlargements in the union. With its population, size, geographical location and military potential, some of Turkey's foreign policy choices will become choices of the EU foreign policy. In that connection, Turkey's presence in the EU will contribute to the Western Balkan region's security, stability,

cooperation, integration with the EU and development.

BIBLIOGRAPHY

- Laciner, Sedat (2005) Turkey's EU membership's Possible Impacts on the Balkans: End of Balkanization? The Journal of Turkish Weekly.
- Lewis, Bernard, (2004) From Babel to Dragons, Interpreting the Middle East, Oxford University Press, New York in Laciner, Sedat (2005) Turkey's EU membership's Possible Impacts on the Balkans: End of Balkanization? The Journal of Turkish Weekly .
- TESEV (**Turkish Economic and Social Studies Foundation**) Brainstorming: Balkans and Southeast Europe, EU, the Middle East and Cyprus, electronic newsletter, 2001. <http://www.tesev.org.tr/may/mey4.html>.
- http://europa.eu.int/comm/enlargement/index_en.html



name: **David Miguel Pereira
Cartaxo**
 degree: Bachelors` (4 years) in European
 Studies
 country: Portugal
 e-mail: dcartaxo@analyticamk.org
 dcartaxo@gmail.com

LESSONS LEARNED FROM PORTUGAL AND POLAND'S INTEGRATION INTO EU AND THEIR APPLICATION INTO THE CASE OF THE WESTERN BALKANS

The European Union is the commonwealth of countries, sharing the same values of democracy, human rights, borders free people flow, where everyone can enjoy benefits of customs free market between member states and better access to the education. But before this dream can come true, a candidate country needs to meet many expectations; proper, democratic form of government, stability in the area of economy and finances are just the starting point of the whole process. All the bureaucratic work, negotiations, impasses and unending table talks are not easy to analyze, but a closer look allows us to notice some important steps, good decisions as well as errors, that can be either used or avoided by the wise observer in order to make conclusions, concerning further enlargements.

My work is based on two countries, that lie in completely different edges of Europe, which are divided not only by a territorial distance, but also economic growth, life standard and maybe the most important one - historical background and it's consequences. I will focus on Portugal and Poland. Different chances, different goals and achievements, different mentality of people, different support for the integration, different relations with neighbors, but also strong similarities on the accession processes and

problems that both countries faced while adjusting to EU structures. I would like to try to find out, how their experience could be used on the ground of the Western Balkans, a region with the experience of a new state creation, based on free referendum, but at the same time is a place still divided by many conflicts, mostly considered as non stable.

Poland's integration into EU

In the beginning of the nineties, Poland was facing a difficult situation. The country was completely dependant on the Soviet Union, later on its successor – the Russian Federation. Dependence was on the ground of Energetic resources, the presence of the Russian military forces on the territory of the Republic of Poland, strong opposition in the former communists, that became the parliament members, on the power of the Round Table agreements, as well as the weak economy with a high inflation level and political system that differed much from the standards of the Union, not interested that time in accepting new members, especially considering the Russian resistance. The first economic reforms, made by professor Balcerowicz, caused also unrest among the nation, accustomed to the soviet type of system and not prepared for a free concurrence market.

Many Poles thought that just changing the political system and being independent would be sufficient to improve the life standard and that the situation would change by itself. The former state subsidized shipwrights, mines and heavy industry factories had to be closed to cut expenses. Due to this process many people lost their jobs, which unfortunately caused also a decrease in the support for changes, including the integration with the European Union. From the Western European countries perspective, like Great Britain and Denmark, which entered to the Union extremely quickly, after a short period of preparations, the Polish way, seemed to be difficult and more prolonged. The first steps were taken in 1989, when Poland and the Communities signed an agreement, regarding trade and economic cooperation. Thanks to the treaty, Poland was able to export goods to the UE exempt of duty. Profitable mutual collaboration created a better atmosphere and after hard negotiations the Association Agreement was established in 1994. Shortly before, the European Community launched in 1993 - at the Copenhagen Summit - directives and acceptance procedures for candidate states. It is worth mentioning that it was considered as a big success for Poland, because of the strong role of the Russian Federation, regarding its influences in the region of Central and Eastern

Europe. For the first time, since 1945, the famous line of division for the West and East, known as the Iron Curtain, started to disappear or move eastern. The first conflict of interests, between the small and weak countries and their bigger neighbors had the weaker as the winner, mostly thanks to the Rule of Solidarity, not yet implemented into European Law, but already present. In my opinion, it was a real sign for the start of the accession process that finished on the 1st of May 2004. Before, especially in the West, the idea of an enlarged Union to the East was mostly greeted with an ironic smile. A very good example that can illustrate the atmosphere in Poland those days is the headline used by all newspapers: "Poland returns to the West".

The tougher part, just after adopting a new political system and stabilizing the economy, came with the start of negotiations. Poland started talks with the Communities in 1998, with 31 areas to be discussed. Strategy was based on the rule, that easy negotiation statements should be closed first, to maintain a visible progress and public support. Until the end of the year 1999, Poland managed to close temporarily 9 "easy" sections: "Science and Research", "Small and Big Companies", "Education", "Statistics", "Industrial Policy", "Telecommunication and IT Technologies", "Economic and Currency Union", "External Relations" and "Consumers and Health Protection".

The speed of negotiations was maintained during the Portuguese, French and Austrian Presidency. The Polish Parliament (Sejm and Senat) established the Special European Law Legislation Commissions, to maintain progress, also in accommodating the Polish law system. There were a huge number of internal incompatible documents, which needed to be changed as fast as possible. The

European Commission was insisting for the legislation process to be finished before starting the most difficult areas of negotiations. Commissioners issued also few reports, saying that the overall tempo of the application of law is insufficient and it should be accelerated. On the other hand, economical system changes were considered to have been well done and satisfactory. Decisions established at the Nice Summit in December 2000, regarding reform of the institutions of the EU, after accession of new countries, gave Poland 27 votes in the Ministers Council and 50 in the European Parliament, giving Poland the same number of members as Spain. Only Germany, Great Britain, France and Italy received a higher representation in the EU Parliament. The support for integration improved in general, because through those simple comparisons, it was easier to explain people that decisions made by Poland will have their meaning and can't be ignored. The strongest argument of the opposition was taken down. Populist's peasant parties, like "Samobrona", one of the main forces in the country against integration process, were waiting for the moment when the area of "Agriculture" would go under negotiations. It happened in the end of the procedure and took a long time to close that chapter. Polish farmers, owners of small agricultural households, were afraid that after joining EU, there would be no demand for their products. "Samobrona" was convincing people that the financial help from the Union would be very small and not comparable with the same payments to the Western members of the old Union. Even after closing this negotiation field, on very good conditions, farmers were still unsure.

The referendum, finished with the result of 77, 45 % votes for the accession and 22, 55 % against. The majority of the nation supported

the integration. It is of great importance, that very recently, two years after joining the EU, farmers are the second biggest fraction after students that agree for the presence of the Republic of Poland in the European Union.

Thanks to the opening of the labor market for the new member states, 2 million Poles already went to work permanently in other EU countries, mostly Great Britain and Ireland. Nowadays the Polish community is the biggest minority in Ireland.

Portugal's integration into EU

Changes in Portugal started in the middle of the seventies, when the country moved in the 1974 from an authoritarian rule to parliamentary democracy, thanks to the military uprising against Dictator Marcello Caetano, who was successor of Antonio Salazar, a cruel and ruthless despot. The first reforms were focused on putting military forces under strict civilian control. Unfortunately, the first constitution proclaimed in 1976 was not guarantying that division, leaving armed forces completely independent. After two years of instability, left winged parties, guided by the communist were trying to gain support and majority in the Parliament, but using not democratic methods. It caused instability, but the rest of the parties, ratified three new revisions of the Constitution, which placed the army under governmental control. The privileges of the President of the Republic were limited; therefore he couldn't block sessions of the Parliament anymore. New standards allowed pluralistic and open elections. State owned companies were privatized; television, radio stations and media were set free from the control of the authorities. The whole process laid the basis for a stable and democratic system.

Soon after primary reforms, Portugal abolished visas to most European countries and renewed the treaty of Mutual Cooperation and Help with United Kingdom. In 1986 Portugal entered to the European Union together with Spain - European Economic Community, as it was known then.

Due to the hard economic situation Portugal accepted and agreed on mostly every field with Community proposals making the negotiation process quite quick. Those days the Union was much more generous in granting pre-accession and after accession funds. The support for integration was very high - 87, 42 % of votes were agreeing with 12, 58 % opposing.

Portugal was the biggest beneficent of structural and cohesion funds, 96% of the administrative regions were qualified to receive additional financial help. After two years the country started to have a strong and fast development. Portugal focused on modernizing infrastructure and tourist resorts. Most of the investments were made in building and modernizing roads and highways. At the beginning highways in Portugal took overall 53 kilometers, to grow in 2006 to 398 km. The Lisbon Metro is composed of 4 independent lines, 41 stations and has a total length of about 29km and in 2002 several extensions were under construction also by using funds of EU.

Many controversies were created around the way of using financial help. Southern regions gained the biggest help and investment rate, northern ones, had to wait even few years for the government to accept the plans for simple investments.

Comparing with other Member States, the size of Portugal is not significant. Nonetheless, it didn't prevent it from playing an important role in the whole Union. This year was the 20th anniversary of the adhesion to the Communities. Portugal held the presidency two times and currently José Manuel Barroso is the President of the European Commission.

Unfortunately, instead of focusing on economy, that brings an outcome after some time, Portugal continued for many years to count on its cheap, not well educated labor force. Now when countries like Poland, Czech Republic and Latvia during many other processes are still trying to lower the costs for hiring people, Portugal will be forced to choose between a complete change and readjustments and a step-by-step marginalization in the European Union.

Conclusions for the Western Balkans

The region of Western Balkans is still considered as non-stable and conflict creative, at least by the general opinion of EU citizens. Mostly, because of the history and wars that many countries in the area have experienced.

The first and most important lesson taken from previous integrations with the EU is the need of essential and possible fast political and economical changes, which will result in stability. A good example of its importance is Bulgaria. Just after the fall of the Iron Curtain, Bulgaria was one of the best-developed countries in the former Soviet zone of interests in Europe. Regrettably, authorities scared of taking unpopular decisions and losing support, decided to not proceed with needed reforms. After a few years, economy moved from

stagnation to degradation and the country started to suffer from a huge minus balance of costs, which contributed to the change of the date of accession. Poland decided to perform a "shock therapy", just after changing the political system, even in spite of the lack of public support for governments, economy started to develop.

Good relations with the neighbors, lack of territorial, border revision demands and obeying agreements are also vital. EU negotiations with Serbia on a Stabilization and Association Agreement are suspended, because of Serbia's failure to deliver Ratko Mladic to the International Criminal Tribunal for the former Yugoslavia in The Hague. It is understandable that good intentions should be always supported, like it was done with Serbia, when EU started separate talks, even having in mind, that Serbia was the main force provoking conflicts in the region. But it will never be tolerated, a potential candidate country not obeying the fundamental obligation to prosecute war criminals.

Portugal enjoyed the integration during some time, while the Community was in an "economic boom" period, but for new prospective member states, negotiations won't be as easy. Learning from the example of Poland, it is really worth to focus demands on the key sectors and let the Union decide on the other ones. There were many opinions, regarding Polish agriculture, saying that it will be extremely hard to achieve the target financial aid. As it showed after, it was possible to win even more by balancing other areas of the negotiations.

A very important stage of the integration is accommodating domestic law into the EU system. The case is not easy, because the

majority of the existing law documents have to be changed, either partially or even totally. It is a wise decision to start this process even before opening this chapter at the talks. Special Legislature Commissions should be established, containing not experts from one profession but a cabinet of professionals.

history could be done only by friendship with former enemies.

The Western Balkans are facing a big chance of fast integration with the European Union. Regretfully, some countries of the region, like Serbia, due to lack of confidence and fear of taking decisions and making choices, are losing the opportunity, which might not come across for a long time. Macedonia could be placed on the opposite side. It is true that the "Sun is, too, a star", like the integration motto is saying. The Country has already signed the Stabilization and Association Agreement with the European Communities as the only one in the region and has been granted the status of Candidate. The date of accession is not yet known, but experts agree that it is only a matter of time. Newly restored Montenegro, with help already received benefits from the EU; with the Euro present in the payment system it clearly announces further integration. Maybe someday also Albania, Serbia, Bosnia and Herzegovina will join the European Family. It is important to support those nations with information, education and students exchange, as past shows it always brings the best results. Changing people's mentality, healing wounds made by a cruel



name: **Ester Xicota**
 degree: Bachelors` in Business
 Administration
 country: Spain
 e-mail: exicota@analyticamk.org
exicota@gmail.com

SPAIN AND THE ENLARGEMENT OF EUROPEAN UNION TO THE WESTERN BALKANS

Abstract

After the enlargement to the Centre and to the East, the European integration process is making progress but it is still unfinished. Twenty countries remain out of EU borders. The republics from Western Balkans are the candidate countries that probably will constitute the next wave of countries to do the enlargement. Progressive integration of the region into the European Union will foster stability, security and prosperity ensuring the success of sustainable social and economic growth in the EU.

With the entrance in 2004 of the new countries, Spain has to face both political and economic implications of this decision. Although Spain, as all the presidents of the country stated, is completely sure that the future of Western Balkans is in the European Union, it has no political neither cultural links with these countries. This together with the fact that Rome Treaty does not specify a procedure for progressive withdrawal of aids to the countries that change from the net receiver to net contributor to the EU budget makes Spain be a little bit confused about how its situation will determine its own future.

1. The European Foreign Policy

The European Council of Copenhagen (1993) established the criteria that candidate countries must satisfy before accepting to be integrated. In the period 1995-99, the five Western Balkan countries were deemed non-eligible to be part of the enlargement group due to the lack of accomplishment of these criteria. Reasons such as the persistence of authoritarian regimes, nationalist strife, domestic instability and stalled economic reforms are the most significant. In June 2003 the European Council of Salónica established the entrance of the Western Balkan countries in the priorities of EU foreign policy. There are several reasons that back this enlargement in a solid and concrete manner. What is clear and evident is that the EU's task of transmitting peace will not be completed until this significant region it is not in the common European area.

The main components of the European policy towards Western Balkans are mainly two: the economic relations and the Common Foreign Security Policy (CFSP). The first component includes the financial assistance to allow the macroeconomic reconstruction, the economic

and commercial cooperation and the economic sanctions to create pressure to democratic or human rights issues that are not in accordance to European policies.

The CFSP is the political arm of the European policy and consists in normative production, the Stability Pact for Southeast Europe and the Stabilisation and Association Process (SAP). These instruments look for the peace consolidation, the international dialogue and the creation of incentives to motivate the accomplishment of special politic and economic conditions to foster dialogue between countries.

2. Budget Implications Of The Enlargement Process

The fifth enlargement is bringing a high cost for the fifteen countries. There exist clear doubts about the capability to face the additional cost that can suppose the integration of other countries. Although the Salónica Council (2003) and the Balkan Summit stated the consensus about the entrance of the Balkan countries, the individual member states can have different grades of enthusiasm on this issue.

At the moment of analysing impacts of enlargement, the economic impacts of the

entrance are the most evident. The little entity of the Community budget and the willingness to diminish it implies that the financial needs of the new members should be attended with expense reductions of the other countries that now are beneficiaries. The entering countries will be contributing to the EU budget but the most important impact is that they also will be beneficiaries of it. Per capita income of new members is less than 50% of the EU-15 average and this makes them eligible to receive Structural and Cohesion Funds.

On the other hand, new countries have to face the challenge of real convergence. Despite all this, they have made a strong reform effort and have important strengths as their geographic proximity to the economic centre of the EU, good penetration of Foreign Direct Investment and good human capital dowry (education and health).

3. The Role Of Spain In Defining The European Foreign Policy

The accession of Spain to the European Union was followed by an integrationist approach in the sense it demonstrated a preference for common rather than national policies. From the first moment, Spanish foreign policy regional priorities were centred in Mediterranean region and in Latin America.

The supranational intergovernmentalist approach of Spain during the years of socialist government, make the country to be an important actor in international and foreign policy issues. But in 1996, Spain witnessed a change in government. The Popular Party of José Maria Aznar formed the first centre-right government since 1982. The position of this government was not as Europeanist as

González's but was still in support of the European orientation for Spain. A clear example of this policy is that Spain changed its supranationalists vision into the intergovernmental institutionalism of José María Aznar which stated the recognition that a vital interest of a state may prevent common position, thus preserving the right of veto. At that moment, the government started to concentrate its efforts in domestic issues changing its priorities to social cohesion and development of CFSP to the points that of interest of the State (internal economy and terrorism).

José Luis Rodríguez Zapatero was elected in March 2004 leading the return of socialist party. He began to redirect Spanish foreign policy by withdrawing Spanish troops from Iraq, resorting good relations with Morocco, Venezuela or Cuba and shifting away from Atlanticism to Europeanism. The foreign policy principles of this government are based in the return to the "heart of Europe" and insistence on effective multilateralism, defence of democracy, human rights and respect for International Law. There are also elements of continuity between the current and the previous Governments as the foreign policy regional priorities: Mediterranean Region and Latin America.

Spain supports the enhancement of EU's international role and it is favourable to the future accession of Croatia and Turkey and the Western Balkan region. In its political declarations, parliamentary deliberations and public enquiries Spain shows a clear will to the enlargement of the EU and the development of CFSP.

4. Spain And The Balkan Countries

In the Spanish agenda for the UE presidency, issues as terrorism, illegal immigration and the progress of CFSP were prioritized. Moreover, Spain regional interests were more concentrated in Euro-Mediterranean area and Latin America. But after a time Spain realized that the Western Balkan issues were no so far of its interests. The Balkan conflict gave an impulse to the CFSP and was also an important tool to foster European Neighbour Policy (ENP) and assure peace in European borders. In the President's speech to the European Parliament on March 20th the president stated a new scope to the European policy towards this region showing more interest for the security issues and their connection with the Balkan countries.

From the Spain point of view, Balkan countries became a tool that would help Europe to make progress in its integration in fields like illegal immigration and CFSP. However, has to be observed that the debate on these issues in the Spanish Parliament is very poor, perhaps because the regions to which the missions have so far been targeted are not a priority for Spain. Instead of this, internal debate is concerned about the increasing marginalisation of Spanish foreign policy priorities in the EU agenda. This can be showed in the Spain's support to the European Neighbourhood Policy as a means to have an instrument to foment security, stability, development and cooperation with the neighbour's states. However, Spain will support this policy only if it is capable to provide concrete benefit or not to harm the Mediterranean partners, in particular the Maghreb countries. Spain will firmly oppose to the dissolution of the multilateral dimension of the Barcelona Process as a consequence of the ENP.

5. Budget Implications Of The Enlargement For Spain

We have seen that Spain supports the EU enlargement to the East because it realises clearly the potential economic growth of the region, the need to stabilise the area and the potential impulse that the integration process can give to the CFSP's development. However, it must be noted that the greatest impact of the Eastern enlargement for Spain has to do with the distribution of Cohesion and Structural funds.

The entrance of new members in the European Union produces different effects in economic field. On the one hand it puts a difficult challenge of real convergence with the UE and on the other hand appears the statistical effect at regional and national level that makes Spain become net contributor to the UE budget and lose all the Cohesion and Structural Funds.

The diminishing of funds and the entrance of new countries with similar specialisation patterns will create a supply shock that will reduce the Spanish GDP making more difficult to converge with more advanced nations. The new countries offer low labour costs, good qualification of workers and proximity to the core economic centre of UE also compromises the Spanish role as Foreign Direct Investment receiver.

The budget consequence can be expressed as a "budgetary scissor": the contributions to the UE budget would increase but the amount received would decrease until reaching a point where Spain change its status from recipient to net contributor. The fear is not about being net contributor in one moment between 2007 and 2013 but that it would do it because of the statistical effect without reaching the real convergence in terms of per capita income.

The radical change of status from net receiver to net contributor could harm the economy and also the view citizens have on EU. The negotiations on the EU Financial Perspectives 2007-2013 are followed in Spain with pessimism. A sudden lost of funds, together with the actual pressures in favour of the delocalisation of firms to the Centre and Eastern Europe, the constant lost of competitiveness of the Spanish firms derived from the high commercial deficit and the slow growth of the productivity could create a difficult economic situation for Spain. At the same time, public opinion could start change their view of Europe in a way that will not benefit the future political integration efforts.

Conclusion

Today the EU has 25 members. Tomorrow will have 29. Maybe some day will reach 40 states with more than 30 languages. All of us would be together in the same club with the same currency, common Security and Foreign policy, common institutions and law, with big cultural differences and, at the beginning with different economic differences despite the basic principle of solidarity and common market.

It is viable this Europe with 40 members? Could be possible to create welfare and development for all of them? Will reborn a new Europe with different velocities or maybe will it grow in concentric rings? The answer is very complicated but it is genuine to think that if the political criteria are respected in the whole continent and if some minimal welfare levels are assured, would be perfectly acceptable a diverse and plural Europe.

Europe as a unique entity will face important challenges but each individual Member State will have to face their own and specific shocks derived from the integration.

Spain is one of the most affected countries and reformulation of some economic policies would be needed for the country being adapted to the new situation. The statistical effect caused by the entrance of new members with income per capita far below European average will make them eligible for receiving Structural and Cohesion Funds. And the fact that the EU's budget is not increasing its entity mean that countries like Spain will loose almost all the funds for the new countries having the opportunity to develop their economies. This lost of funds is only due to a statistical effect and not derived from the real convergence of Spain with European average. Will be Spain able to overcome the situation and benefit from the advantages of integration? We hope the answer to be yes. If not, the bad image of Europe enlargement process could cause a serious damage to the political progresses that are trying to be done to give a single voice to Europe in international forums.

Despite of the economical problems, Spanish politics highlight and support the importance of the enlargement to the Western Balkans mainly because this could improve the Common Foreign Security Policy and Common Neighbouring Policy creating a favourable environment for peace and economic development. Despite of this, Spain also wants to maintain and reinforce its historical interests in foreign policy which are Latin America and North Africa, this one institutionalised by the Barcelona Convention.

Having analysed the economic and political impact of the enlargement, we can say that

Spanish view towards enlargement to the Western Balkans can be summarised as no opposition as long as it don't harm national interests (both political and economical).

BIBLIOGRAPHY

Books

Kavakas, D.: *Greece and Spain in European Foreign Policy. The influence of southern member states in common foreign and security policy* Ed. Ashgate, 2001

Internet documents and reports

Bechev, D: *Between Enlargement and CFSP: the EU and the Western Balkans Paper prepared for the LSE European Foreign Policy Conference 2-3 June 2004*

Johansson, E, Solé i Padró, M: *Los Balcanes Occidentales: ¿Tema de oportunismo español?*

Bruselas, 27.1.2006 "Comunicación de la Comisión: *Los Balcanes Occidentales en la vía hacia la UE: consolidación de la estabilidad y aumento de la prosperidad*"

Real Instituto Elcano (2004-2006)
www.realinstitutoelcano.org

- La política de cohesión europea y la economía española: evaluación y prospectiva
Simón Sosvilla-Rivero y José A. Herce 2004

- "Las perspectivas financieras 2007-2013 y la posición de España " *Alberto Navarro y Enrique Viguera 2005*
- ¿Adiós a los fondos? Claves para entender la posición de España a la hora de negociar el presupuesto de la UE para 2007-2013 *José i. Torreblanca 2005*
- "Las perspectivas financieras 2007-2013 de la Unión Europea: un buen acuerdo para España" *José Ignacio Torreblanca 2005*
- "Construir Europa desde España. Los nuevos desafíos de la política europea" Charles Powell, José Ignacio Torreblanca, Alicia Sorroza 2005
- Las perspectivas financieras 2007-2013 de la Unión Europea: Europa se amplía, el presupuesto se reduce *José Ignacio Torreblanca 2006*
- Sosvilla-Rivero, S; Herce, J.: *La política de cohesión europea y la economía española: evaluación y prospectiva 2004*

González-Páramo, JM: *La ampliación, el presupuesto de la UE y las políticas fiscales nacionales: consecuencias y retos para España en Desafíos*. Container in the report: *La Unión ante su ampliación*.

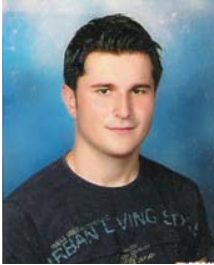
Balmaceda, M; Sebastián, M; Tello, P.: *La ampliación, el comercio y la inversión extranjera directa*

Barbé,E.; Mestres, L.: *CFSP Watch 2005 – Spain*

Barbé, E.: *La política europea de España 2004-2005. Working Paper n. 65* Observatori de Política Exterior Europea 2005

Internet links

- Observatorio de Política Exterior
http://selene.uab.es/_cs_iuee/catala/obs/m_temas.html
- Crisis Watch
http://crisiswatch.barcelona2004.org/observatorio/dossierCompleto_e.htm?num_dossier=56
- Stability Pact for Southern Eastern Europe
<http://www.stabilitypact.org/about/default.asp>
- Ministerio de Asuntos Exteriores de España
<http://edit.mae.es/MAECPORTAL/temlates/CmsTmpTXT.aspx?NRMODE=Publihed&NRORIGINALURL=%2fes%2fMenuPpal%2fEspa%25C3%25B1ayUE%2fEuropa%2by%2bel%2bMundo%2fTerceros%2bPaíses%2by%2bRegiones%2f&NRNODEGUID=%7b685B948F-20D0-4064-9758-1BA69035CDF8%7d&NRCACHEHINT=NoModifyGuest#sec5>
- Rond Point Schuman. Boletín de Pensamiento Europeo
<http://rondpointschuman.eu/modules/news/article.php?storyid=77>
- Representación Permanente de España ante la Unión Europea
<http://www.es-ue.org/Default.asp?section=843&lg=2>



name: **Furkan Cako**
 degree: Student in International Relations dept.
 country: Macedonia
 e-mail: fcako@analyticamk.org
 cakofurkan@hotmail.com

WHAT IS WRITTEN ON BALKANS INTEGRATION INTO EU IN TURKISH MEDIA

- excerpt -

ALONG FOR FURTHER WELNESS: IS IT POSSIBLE?

1.1 – -The Balkans – European Union – Turkey; what is Written in Turkish Media?

As it is stated on the reports title `What is Written on Balkans Integration into EU in Turkish Media` the main aim of this report is to observe and write down the opinion; information gathered and observed from the Turkish media regarding the integration of Balkans and Turkey into European Union. Unfortunately, there are quite few sources that we can come across with so that we can be able to write them on this paper. The sources that I found personally are mostly related indirectly with Balkans, meaning they are written on behalf of the Turkey's relation and integration process to the EU. Therefore, there are few but not a lot sources regarding to Balkans and Turkey's integration into EU along. For this reason, I also tried to get the idea of the Turkish intelligentsia and had interviews with some Turkish citizens, in addition I tried to use every single source related to this report even watching special programs on television channels. Regarding the relation of European Unions Turkey and Balkans, even for the future of the EU, I would like to

state that, while I'm writing this report, we are all witnessing the relations among Turkey and the European Union. The relations which certainly can also be called the turning point of the EU and Turkey. Consequently, the relations which of course can affect the Balkans. Nowadays, in Turkish media, the most written and discussed issue is the hang of the negotiations in 8 chapters with the EU and Turkey because of the disagreement of Cyprus. But also the most written issue is the integration of the two new Balkan countries to the EU, namely, Bulgaria and Romania. Recently on television program in CNN Turk, the ex president of Turkey Mr. Süleyman Demirel was talking about the EU and Turkey's future, by welcoming the Bulgaria's and Romania's EU membership, he also underlining that: `Turkey is a country that has geopolitical strategic importance for EU. The Republic of Turkey has gained a prestige in the Caucasus, Middle East and Balkans. At the same time it also connects the Europe with Islamic world that is important for the stability in the region as well as throughout the world. Therefore, EU can not take to the Union Serbia but not also Turkey!` He also underlined that: `The EU is a project and therefore Turkey must

continue to use diplomacy until the end because diplomacy does not end anyway²⁶. If today the relations are slowed it does not mean that tomorrow will be the same or it will keep on so. On the other hand, if you ask to the Turkish citizens outside about the same theme, general opinion is that: Turkey must go until the end to become the member of EU if not it can form another regional union with Balkans or the Middle East and Caucasus. I would like to state that, this opinions seem to be rather sentimental than realistic. From the Turkish Intelligentsia view point, for instance, according the research assistant of the department of International Relation at Gazi University Mr. Burak Tangor²⁷: `Cultural friendship that exist with Balkans must be sustained and more economic investments must be done towards Balkans so that the Turkish affect must be perceived in Balkans countries, but this does not necessarily mean that Turkey can or must directly affect of the Balkans domestic policy. The membership of Balkan countries to the EU can let the Turkey to have more economical as well as political gain but not a kind of lost. But of course if Turkey also becomes member too it will mean that the region will remain stable for a long. As it can be

understood from Mr. Burak Tangör's statements, in general the idea among Turkish intelligentsia is almost the same, meaning the entrance of Turkey and the Balkan countries to the EU is not for EU's opposition to the contrary it can be for both Balkans and EU's interest. Of course there are some nationally oriented Turkish citizens that their ideas are such as: 'Turkey must more directly and heavily show its power against Balkan countries so that it can affect on their foreign policy'²⁸ but Turkish politicians and political scientist are on the more elastic and realistic side. What is written on Balkans and Turkey's integration into EU in Turkish media is that, recently even all newspapers are getting out almost with similar headings. In this case, I would like to give the headings of some of the Turkey's well known and dominant newspapers as well as media organizations. The well known headings areas such: 'EU leaders gathered to put the brakes on enlargement'²⁹ or 'EU leaders meet to put stamp on Turkey decision'³⁰ as well as 'EU: "Yes" to slow-down for Turkey, "Welcome" to Bulgaria'²⁶ and Romania'³¹ for example heading of a famous journal *Pusula* 'The unchanged realities of the Europe'³² and the headings like these can be seen and observed almost in every single journal and newspaper, recently, in Turkish media. In addition, the most famous journalists and political scientist such as: Murat Yetkin³³, Mehmet Ali Birand³⁴ or Ali Bayramoğlu³⁵ also comes out with similar headings on their newspaper columns. As a result if we remember that the media affects the politics and people as well as gets affected from both, regarding to Balkans and Turkey's integration into EU observing the columnists, the Turkish public opinion towards Balkans EU integration, recently, is negatively. Because they also think

that if EU can take the Bulgaria, Romania or in near future Macedonia into its borders so why it can not take Turkey too. This opinion of course is conjectural and does not necessarily mean that this opinion will last long or remain so. As mentioned also above, the focal point of Turkish either politicians, intelligentsia or citizens, of course not all of them, were on the decision that the leaders of the EU converged in Brussels for a summit on EU's future. What is also written on Balkans integration into EU in Turkish media is that: the leaders meeting on Thursday in Brussels for two days confirmed the suspension of membership talks with Turkey, whose rocky path towards Europe's rich club has embodied the concerns and fears about the ability to take on new members. According to information taken from Turkish media sources states that: 'the block welcomed again the membership of Bulgaria and Romania as the 26th and 27th member on January 1'. Based on the same source it was again stated that: 'the leaders conceded that impasse over the constitution must end before new members are considered beyond Bulgaria and Romania'. Whatever the outcome here, the leaders stance will have major repercussions for Turkey, which began often-torturous membership talks last year, but also for EU candidates like Croatia and Macedonia and other hopefuls in the Balkans. With Turkey resolved for now and nobody keen to wade too far into the issue of institutional reform, one other issue is looming as a possible bone of contention, in what is likely to be a quiet and short summit, that of Serbia. The Union froze in May a Stabilization and Association Agreement, a first step toward joining the EU, over Serbia's failure to hand over former Bosnian Serb military chief Ratko Mladic to the UN war crimes court'. In the same news it is stated that: 'Italian Prime Minister Romano Prodi is expected to ask his counterparts to limit

the EU's condition of full cooperation with the court for the talks with Belgrade to resume'. 'But Britain, nowadays the supporter of Turkey towards the EU candidacy, and others oppose this idea and most would prefer to reassess ties with Belgrade and the situation in the breakaway province of Kosovo, after Serbia's January elections'.

CONCLUSION

Originally created by six countries in 1957, the European Union will be enlarged up to 27 Member States by 1st of January 2006. Why Europe needs to enlarge and where its boundaries end, is the question which still remains as a mystery and is needed to be answered in Turkish media. In the other hand, there are also some predictions that, the timing framework for Republic of Turkey's membership into EU, after some Balkan countries, is 2020. The EU is said to be an economic integration type but can economics and politics be considered apart from each other? Therefore, the general opinion on the Turkish side, meaning; the Turkish media, intelligentsia and of course Turkish public opinion is that, Turkey's membership would enable the EU to play a more powerful and effective role in the Balkans region, World politics as well as Europe's future. Republic of Turkey's membership of NATO, its strategic partnership with the USA, its cooperation with the countries of the Balkans and the Caucasus and its ties with Islamic World are elements that would contribute to the achievements by the EU of its goal of becoming a global power! With all these relations and this capacity, Republic of Turkey, would serve the deepening and strengthening of the EU's Common Foreign and Security Policy. Republic of Turkey has broadly continued to align its foreign and security policy with that of the European Union. The regular enhanced political

dialogue established as part of the accession strategy with Turkey has continued. Turkey has displayed its strong interest in the development of the European Security and Defense Policy (ESDP). Republic of Turkey has been participating in the EU – led police missions in Bosnia and Herzegovina (EUPM), in the Republic of Macedonia

(PROXIMA) and in the Democratic Republic of Congo (EUROPOL KINSHASA). Republic of Turkey's participation in several UN and NATO peace missions in the Balkans countries. After participating in UNPROFOR, IFOR, KFOR, and SFOR missions, Republic of Turkey is contributing to the EUFORALTHEA mission since December 2004. Therefore, Republic of Turkey as an EU member together with Bulgaria and Romania, in near future with Croatia and the Republic of Macedonia as well as all the other Balkan countries, namely, Albania, Bosnia and Herzegovina, (maybe Kosovo), Moldova, Montenegro and Serbia by reconstructing its already existing bilateral and multilateral relations with these Balkan countries would rise to a more stable position in the area of security. A region that is called Balkans which for centuries has played a crucial role in Worlds, Europe's as well as Turkey's foreign policy. Because of its geopolitical situation, it also would rise to a more stable position in the areas of Middle East or Caucasus and be freed to a major extent from the uncertainties caused by the post – Cold War environment. In a `win - win relationship, Republic of Turkey together with EU and the Balkan countries would enhance their security and influence.

References:

26 An interview done by the ex President of the Republic of Turkey Mr. Süleyman Demirel on 15.12.2006.

Channel CNN Türk: Ankara Kulisi by: Fikret Bila and Murat Yetkin.

27 Interview with Mr. Burak Tangör, Research Assistant of the Departement of International Relations at Gazi University. (30 November 2006)

28 The opinions impressed above are the opinions of some Turkish citizens during my conversation with them regarding this report.

29 For more details please look up at online: www.turkishpress.com Friday, 15 December 2006.

30 Turkish daily English newspaper. www.turksihdailynews.com Friday, 15 December 2006. by Barçin YINANÇ

31 Turkish daily newspaper. Hürriyet. www.hurriyetim.com.tr Friday, 15 December 2006. English version.

32 Pusula journal. A comment written by Mithat Bereket. www.pusula.tv 15.12.2006

33 For more information please look up online: www.radikal.com.tr

34 For more information please look up online: www.turkishdailynewspape.com

35 For more information please look up online: www.yenisafak.com.tr



name: **Gloria Folguera Ventura**
 degree: Maîtrise en Droit Européenne
 LLM.
 country: Spain
 e-mail: gfventura@analyticamk.org
 gfolguera@hotmail.com

SPAIN'S POLICY TOWARDS ENLARGEMENT OF THE EU TO THE WESTERN BALKANS

1. Introduction

The primary aim of this report is to describe Spain's position on the inclusion of the Western Balkan countries into the European Union, heretofore referred to as the EU. In this report we will attempt to address the following issues:

- Spain's overall enlargement policy now versus its position regarding previous enlargement
- Spanish contribution to the integration of the Western Balkans into the European Union
- Advantages and disadvantages of the accession of the Western Balkans to the EU from the Spanish perspective.
- The opinions held within the public opinion with respect to annexing these countries with the EU.

To understand Spain's current view towards EU Enlargement, it is pertinent to address several points regarding the history of Spain's foreign policy. Spain did not actively participate in the II World War. It found itself isolated for having sided with Nazism and Fascism when the war ended. After Franco's death, the Spanish political situation changed completely. Since 1982, Spanish foreign policy has been deployed to strengthen Spain's Western and European

dimension, thus bringing to an end to 150 years of isolation from Europe (EEC, NATO and WEU). Hence, in 1986, Spain and Portugal joined the EC, making it the "Community of Twelve". The Spanish Government demonstrated that it was convinced that a revitalized European Union would constitute a useful and complementary instrument of the Single European Act and would be one of the most effective ways to reinforce the European pillar of the Atlantic Alliance²⁷.

2. Spain's overall enlargement policy now versus its position regarding previous enlargement

At the national level, there are two main influential political parties: the Socialist Party (PSOE) and the Christian and Democratic People's party (PP)²⁸.

From the outset, the Spanish political parties have been in favour of the EU Enlargement. For instance, during the Spanish EU presidency at the European Council in the second semester 2002, Spain contributed to the Enlargement

process by giving support to the ten countries candidates that became European members in January 2004. In the same way, Spain brought about the conclusion of several difficult negotiations regarding the last EU enlargement of the Eastern countries. Hence, not only did Spain contribute to concluding negotiations, they also made a relevant contribution towards the reunification of the European Continent.

Finally, at this European level, the EU Spanish Council Presidency has shown that Spain was the most favourable European country in Europe to support the EU integration process²⁹. Under this presidency, all the public opinion, the political forces and the communication resources were the most favourable in all Europe for the EU process of integration. The reason why Spain was the most favourable in Europe for the EU Integration is, perhaps, the proximity with the Spanish process of integration (just 20 years ago) and the solidarity that Spain has shown towards the countries that wanted to follow the same path.³⁰

²⁷ See the site "Spain, member of the European Union", history and culture.

<http://www.investing-in-europe.com/en/espana.htm>.

²⁸ The Socialist Party is now governing Spain since April 16th 2004. President: José Luís Rodríguez Zapatero.

²⁹ The Spanish foreign policy programme towards

Enlargement was labelled as "More Europe" ("*Más Europa*").

³⁰ "La Ampliación de la UE y el futuro de Europa". Cuadernos Europeos de Deusto 1989. PERI. Universidad de Deusto, NO.31, 2004, page. 85.

Both the Socialist or the Christian-Democratic parties attach great importance to the establishment of a long-lasting and stable Western Balkans, because this will also enhance the stability on the whole of the European continent.³¹ Both insist, thus, that the basic criteria must be fulfilled before taking any further steps. Substantial progress must be made towards meeting the political part of the Copenhagen criteria in particular before stability and association's agreements can be concluded.³²

3. Spanish contribution to the integration of the Western Balkans into the European Union

- What was the Spanish reaction towards the crisis in the Balkans³³?

The Spanish Government in the 90's was under Felipe Gonzalez' Presidency. Although Slovenia and Croatia were officially recognised as States, the Spanish policy was neutral in this issue³⁴.

³¹ "This Region has the potential to be a prosperous part of a prosperous Europe", Giuliani Amato, speaking about the situation in the Balkans before the annual meeting of the EBRD, Belgrade, 26 May 2005.

³² See "A European future for the Western Balkans", Draft Position for the Socialist Group. <http://www.socialistgroup.org>.

³³ In 1991, a civil war started in the Balkans. After Tito's death, leader of Yugoslavia during the last 40 years, the Federation system entered in crisis. Several wars among the Republics in the Yugoslav Federation, the existence of nationalist movements and the violence needed to exterminate them were the main causes to create the explosion of the situation. Then, Europe putted his eyes on that area. In 1992 Bosnia and Herzegovina declared her independence, then, a 3 year terrible war started in the Balkans with more than 300.000 deaths.

After the Dayton Agreements (1995), the stability dominated the territory, however, the alarm ringed again with the Kosovo's crisis in 1999.

³⁴ Radovan Karadzic, a former Bosnian Serb politician, applauded the Spanish attitude in 1990 by saying: "We have

This neutrality was caused due to the fear of the Spanish government having future demands of independence inside the country similar to the ones in the Western Balkan region. Spain - along with UK, France, Italy and Sweden - was an army provider for the Yugoslav military forces. However, Spain participated in peace missions and in UN military operations afterwards. Moreover, the Spanish government sent military troops to Mostar (Bosnia) where several peace and consolidation actions (between 1994-1996) were taken under the EU regulations³⁵.

- What were the Spanish EU Presidency priorities?

From the first January 2002, Spain assumed the control of the EU Presidency for the first half of 2002. The Spanish Presidency in 2002 did not consider that the Integration of countries such as Russia and the Western Balkans were a principal issue. On the contrary, the main issues were: first, the "historic priorities" which are the regions that have been part of the national interest in Spain: the Mediterranean and Latin America; and second, the transatlantic relations and the European Security and Defence Policy³⁶. The priorities of the Spanish EU Presidency, regarding the Western Balkans relationship, were maturing throughout the first part of the Presidency and gave its fruit with the *European Council of Barcelona* in March 2002.

the best opinion of the Spanish contingent in Bosnia and the Spanish diplomacy. Spain is the most impartial"

³⁵ In recognition of these actions, there is a place in Mostar called 'The Spanish square'.

³⁶ "More Europe", the EU Spanish Presidency Programme (1 January - 30 June 2002)

See http://www.europa-eu-un.org/articles/en/article_1018_en.htm.

The EU Spanish Presidency programme, "*More Europe*", outlined priorities for the Western Balkans area:

"The principal task of the Spanish Presidency will be to keep negotiating the Stability and Association Process (SAP), attending to the concrete situation in each of the affected countries. The Council will receive, at the end of March, the first Commission report over the annual revision of the SAP. Finally, the Council will decide over the reform of the Stability Agreement in the South-Eastern Europe and the possibilities to coordinate the strategy and the goals of the SAP. The Spanish Presidency will keep following the programme established to the Ex-Republic of Yugoslavia, in order to promote his progressive participation in the SAP".

- What were the Spanish contributions to the integration of the Western Balkans to the EU?

Initially the Spanish Presidency assumed the continuation role the policies developed before by the EU and the previous presidencies in respect of the Western Balkan region. However, did not take too much time for Madrid, on the one hand to discover the link between the experience given by the conflicts in the Balkans, which stimulated progress on the ESDP (European Security and Defence Policy), and on the other hand, to feel the effects of the Sep.11 terrorist attacks in Madrid. These two factors created a powerful equation to promote solutions to the issues related to the Spanish European Agenda after the Sept. 11, as well as,

the illegal immigration, terrorism and progress of the CFSDP³⁷.

Three issues were concluded thanks to this Spanish EU Presidency 2002³⁸:

- An agreement between Serbians and Montenegrins was concluded in order to reform the National Constitution and to consolidate, thus, the State Union, where both Republics have fully guaranteed rights. This situation prevented future conflicts between both communities.
- Concerning the crisis in Bosnia and Herzegovina, the Spanish EU Council substituted the police force of the UN for the police mission of the EU (PMUE) since 1st January 2003.
- Final pacification and conciliation among the ethnic groups in Macedonia (FYROM). In January 2002, the European Council supported the adoption of the local Self-Determination Act. At the same time the Spanish EU Presidency had to deal with the final pacification of Macedonia by substituting the American forces for the European forces in the *Amber Fox case*³⁹.

The Spanish EU Presidency took the issue of the Balkans to promote closer European policies to the Spanish Agenda. Spain, however, had an opportunistic attitude in the military and civil crisis control areas. As a result of the Spanish contribution towards the EU enlargement of the Western Balkans, the EU made a relevant contribution to enhance the Enlargement process and to make the Western Balkan countries move a step further towards their future EU Membership.

4. Advantages and disadvantages of the accession of the Western Balkans to the EU from the Spanish perspective.

On the one hand, we can foresee that the integration of the Western Balkans in the EU could represent some obstacles: first, the new members can force Spain to accumulate a huge delay in her bilateral relations with other 3rd Countries⁴⁰; second, the geographic situation of Spain towards the Balkans could become a certain added difficulty for the Spanish companies to be interested in creating closer economic relations.

On the other hand, the Western Balkans EU Integration could have some advantages: - Spain could give a new lesson to the new candidates. Their historic factor sends a fresh and free impulse against all negative feeling. Spain would diversify the conflict of the Western Balkans and would give positive ingredients; - Our cultures are not competitive, but rather are complementary. This complementarity is also

presented in the External Policy, because Spain has many special relations with Latin America and the Mediterranean Area. Those special relations could be quite interesting for the new members as well as for Spain, and the relations that the Western Balkans could have with the Eastern Europe, Russia and Turkey are seemingly limitless.

Perhaps, the fear of Spain about the integration of the Western Balkans could be the integration of a big group of candidates. This integration would create a change on the EU statistic, in the sense that Spain could go from being considered as a poor-medium country to a rich one in comparison with the new EU members' economy. Consequently, Spain would not receive more structural and cohesion funds⁴¹, then, Spain would not have the same profits as today.⁴² In other words, it will be a Europe where one of the members, Spain, will overcome the 90 % of the community rent – which will mean that Spain will not receive more cohesive funds - this situation is not very positive for the Spanish economical interests⁴³.

5. How does the current public opinion look the issue of the EU Enlargement to the Western Balkans?

³⁷ ¿Los Balcanes Occidentales: tema de Oportunismo español?. Elisabeth Johansson y Mónica i Padró. Pages. 127-137.

³⁸ Laia Mestres. "La Agenda Española en política Exterior para la Presidencia 2002". "España y la política exterior de la UE: entre prioridades españolas y los desafíos del contexto internacional". Esther Barbé. Bellaterra, BCN, Int. Universitari d'Estudis Europeus (UAB) 2002, page. 22-29.

³⁹ José María Aznar declared that having European troops in Afghanistan was worthless if Europe would not be able to operate in a closer scenario and linked to the European interests, such as the Western Balkans, and specially, Macedonia. "The EU attempts to settle his role in Macedonia" affirmed the Spanish newspaper *El País*, March 17th 2002.

⁴⁰ This delay was proved due to the 10 country Integration in 2004. This entry supposed a delay in the relations between Spain and the Balkans, mainly because only in 1977 Spain established full diplomatic relations, until that moment and from the Cold war, those relations had been maintained at a consular and commercial level.

⁴¹ This structural and cohesion funds have the goal to support the EU members until the time they achieve the 90 % of the community average of the Union, by helping the regions to accomplish the Objective 1 (for those countries which have the PIB average less than 75% of the community average).

⁴² The solution for this fear would be to create new funds by increasing the current limit 1.27% of PIB transferred to the EU. Hence, the integration of new members would not mean to clear funds of the current EU members, for instance, of Spain.

⁴³ Some of their regions like Andalucía and Extremadura, however, will keep receiving structural funds.

This EU Enlargement could cause several positive and negative effects on the Spanish daily life. 75% of the Spanish population thinks that life would be more or less the same after the Enlargement. However, some Spanish people consider that Enlargement would bring bad consequences: more unemployment (55%), more illegal immigration (48%), more citizens in Spain looking for a job (48%)⁴⁴.

To conclude this part, Spain has an average knowledge about the EU candidates. Although Spain agrees with the enlargement of the EU towards the Western Balkans (Spain rather agrees with 61%), they consider that the European Union should develop an alternative relationship that does not go as far as EU membership (Spain rather agrees with 75%). They believe that the speed of the Enlargement process should be maintained and not be faster or slower. Generally speaking, Spanish people trust the Spanish government on the selection criteria to enter to the EU, and agree with the Spanish Government on the idea that the Enlargement will be good for Spain. After the EU enlargement, Spanish people are worried about practical issues on daily life⁴⁵ and the arrival of new people as a consequence of the EU Enlargement is seen as positive for Spain because the more people there are in Spain, the better the Spanish economy will be.

⁴⁴ At the Spanish agriculture field, 30% thinks that the situation would improve and another 30% believes that the situation would get worse, for the tourism, 65% agrees that the situation would improve.

⁴⁵ Spanish people are worried because of 3 main issues gradually divided as follows: Terrorism, 41%, Immigration 33% and Unemployment 27%. Standards Euro barometer 65/Spring 2006 - TNS Opinion & Social. Regular face to face Interviews. National Report: Spain.

http://ec.europa.eu/public_opinion/archives/eb/eb65/eb65_es_nat.pdf

6. Conclusion

Perhaps, the Western Balkans could learn something from Spain. As stated at the beginning of this report, it was then when Franco died that the world began to ask what was going to happen in Spain. What was going to happen in a country whose last encounter with democracy has ended in a bloody civil war, in a country which, historically, culturally and geographically, belonged to Europe, but whose influence extended across the Mediterranean and as far as Latin America? What was going to happen in a country that was not a member of any Western institution (EC, NATO, council of Europe)? We have the answer to these questions before our very eyes: Spain has built a stable and prosperous democracy, recovered its natural links with Europe, America and the Mediterranean world, and is today a respected country not without influence. Using Spain as an example, it is time for the Western Balkan countries to demonstrate to themselves and to the entire European Community that they are capable of building a peace and democratic society.

The Western Balkans is encouraged to be patient and to keep striving towards achieving EU Membership at some point in the future.

References

- Elisabeth Johansson y Mónica i Padró. *Los Balcanes Occidentales: Tema de Oportunismo español?*. "España y la política exterior de la UE: entre prioridades españolas y los desafíos del contexto internacional". Bellaterra, BCN, Int. Universitari d'Estudis Europeus (UAB) 2002.
- Edwards, G., "The Potential Limits of the CFSP: The Yugoslav Example". en Regelberger, E., et.al. (coord.), *Foreign Policy of the European Union: from EPC to CFSP and Beyond*, London, Lynne Rienner, 1997.
- Cuadernos Europeos de Deusto 1989. "La Ampliación de la UE y el futuro de Europa". PERI. Universidad de Deusto, NO.31, 2004.
- Laia Mestres. "La Agenda Española en política Exterior para la Presidencia 2002". Esther Barbé. "España y la política exterior de la UE: entre prioridades españolas y los desafíos del contexto internacional". Bellaterra, BCN, Int. Universitari d'Estudis Europeus (UAB) 2002.
- Jean-Francois Gossiaux. "La question récurrente des Balkans-identités régionales et grandes puissances". Ref. Question Regionale et citoyenneté européenne. Colloque Université de Liège. Liège Ed. de l'Université de Liège, 2000.
- Michael Emerson, Senem Aydin, Julia De Clerk-Sachsse and Gergana Noutcheva. "Just what is This 'Absorption Capacity' of the European Union?" CEPS, Policy Brief, No.113, September 2006. <http://www.ceps.be>. ISBN 92-9079-669-3.

European web-links

Flash Eurobarometer 140: "Enlargement of the European Union", (21/03/03 – 30/03/03) report, telephone-Interviews. Study conducted on behalf of the European Commission, Directorate General "Enlargement".

http://ec.europa.eu/public_opinion/flash/fl140_en.pdf

Special Eurobarometer. Face to face interviews, "special bureaux" (2002). National Report EB56.3. Study conducted on behalf of the European Commission.

http://ec.europa.eu/public_opinion/archives/ebs/ebs_166_finrep_spain.pdf

Standards Euro barometer 65/Spring 2006 - TNS Opinion&Social, regular face to face Interviews. National Report: Spain.

http://ec.europa.eu/public_opinion/archives/eb/eb65/eb65_es_nat.pdf

The European Council Meeting in Copenhagen, 21-22 June 1993, SN 180/1/93.

http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/es/ec/72925.pdf

European Commission, 2005 Enlargement Strategy Paper, COM (2005) 561 final, Brussels 9.11.2005.

Informe General de la Unión Europea.

<http://europa.eu/generalreport/es/2005/rg62.htm>

"A European future for the Western Balkans", Draft Position for the Socialist Group".

<http://www.socialistgroup.org>.

<http://www.euractiv.com/en/enlargement/eu-western-balkans-relations/article-129607>

Strategy Paper on Enlargement, as well as Progress Reports on Croatia, Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Serbia, Montenegro and Kosovo. European Commission, 08/11/2005.

<http://europa.eu/generalreport/es/2005/rg62.htm>

"More Europe", the EU Spanish Presidency Programme (1 January - 30 June 2002).

http://www.europa-eu-un.org/articles/en/article_1018_en.htm.

Electoral Programme, 2004 General elections, PSOE " *Merecemos una España mejor* ("We deserve a better Spain").

<http://www.psoe.es/>

Electoral Programme, European elections, PP, Partido Popular " *Contigo Fuertes en Europa* ("With you we are strong in Europe").

<http://www.pp.es>

<http://news.bbc.co.uk/2/hi/europe/2266385.stm>

- "Spain, member of the European Union", history and culture.

<http://www.investing-in-europe.com/en/espana.htm>.

- Radio Free Europe: Article "EU: As Summit Begins, Bloc Is Divided over Expansion"

<http://www.rferl.org/featuresarticle/2006/12/e7d5a27e-1121-4237-8d50-5d078c230c1a.html>

- EuraActiv.com. "EU-Western Balkans relations". Published: Tuesday 21 September 2004 | Updated: Tuesday 14 November 2006.

<http://www.euractiv.com/en/enlargement/eu-western-balkans-relations/article-129607>

- The Spanish newspaper *El País*, March 17th 2002. <http://www.elpais.com/>

Other interesting web-links:

- BBCNews: "Q&A: EU enlargement".



name: **Luis Gaspar**
 degree: Masters in Economics
 country: Portugal
 e-mail: lgaspar@analyticamk.org
 lfgaspar@yahoo.com

EU ENVIRONMENTAL POLICY TOWARDS WESTERN BALKANS

1 – General outline

The Copenhagen European Council in December 2002 confirmed the European perspective of the countries of the Western Balkans, as potential candidates, and underlined its determination to support their efforts to move closer to the European Union. The European Council in March 2003 reiterated that the future of the Western Balkans is within the European Union and pledged the Union's full support to the endeavours of the countries of the region to consolidate democracy, stability and to promote economic development.

In June 2003, the Thessaloniki EU-Western Balkans summit confirmed the EU's support for the European perspective of the Western Balkan countries. The summit endorsed the "Thessaloniki agenda", comprising measures drawn from the pre-accession process, and made a commitment to implement it jointly.

In June 2005 the European Council reaffirmed its commitment to implement the Thessaloniki agenda, noting that each country's progress towards European integration depends on its efforts to comply with the Copenhagen criteria and the conditionality of the Stabilisation and Association Process (Sap).

The Stabilisation and Association process (SAP) is the EU's policy framework for the Western Balkan countries: Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia and Serbia and Montenegro, including Kosovo (as defined by UN Security Council Resolution 1244).

The EU's assistance programme **CARDS ('Community Assistance for Reconstruction, Development and Stabilisation')** supports the countries in pursuing their objectives under the SAP. CARDS Assistance Programme to the Western Balkans: Regional Strategy Paper.

The EU Assistance allocated to the Western Balkans through CARDS for the period 2002-2004 is €1639.2 million. The national priorities for this assistance are outlined in the country strategy papers (see country sections below) while the **Regional Strategy Paper 2002-2006** has the purpose to provide a single strategic framework for programming the regional envelope of the European Commission's CARDS assistance programme.

CARDS assistance is implemented in Serbia and Montenegro (including Kosovo) and in FYR of Macedonia by the **European Agency for Reconstruction (EAR)** and in the other

countries by the European Commission (**EuropeAid**).

For the period covered by the next EU Financial Perspectives (2007-2013), assistance to the countries of the region will be streamlined under the future **Instrument for Pre accession Assistance IPA**, which will replace the PHARE, ISPA and SAPARD and CARDS programmes.

Community programmes will be opened to SAP countries along the lines established for the participation of candidate countries. On the basis of framework agreements to be signed between the Community and each of the SAP countries and providing for the opening in principle of such programmes, the Commission will gradually implement them, by deciding on the specific programmes that would be opened in each case and agreeing with the respective countries on the modalities (through the conclusion of Memoranda of Understanding). Priority areas for the opening of Community programmes could include education and training, culture, research, energy, civil society, SME support, anti-fraud co-ordination, and environment.

2 – Towards EU membership

Discuss the status and challenges of overall economic and social development, including the process of stabilisation and association, and EU accession, from the environmental and sustainability point of view:

- **Sustainable development objectives** and performance of the countries,
- **Development, environment and quality of life:** Economic growth, poverty, trade/investment and governance, and their links to environmental management.
- **Stabilisation and association, EU Accession:** Progress
- **Environmental legislation harmonisation:** EU and international obligations, national objectives, progress, growing implementation gap, successes in implementation
- **Main challenges of implementation of the *Acquis Communautaire*** (Water, waste water, waste): EU requirements, capacity to implement, financial resources, timescales.

2.1- Developing Environmental Institutions

- **National environmental institutions and mechanisms for policy integration:** Ministries, division of responsibilities for different aspects of environment and sustainability, Government decision making, SD mechanisms, application of SEA, EIA
- **Sub-national and local institutions:** description, processes of decentralisation, capacity, bottlenecks and opportunities.

- **Education for sustainable development:** Efforts, successes, barriers
- **Public participation and access to information**
- **NGOs and private sector service providers, science etc:** strong part of the sector, dependent on donors
- **Effects of privatisation:** Environmental liability in the context of privatisation, investment in new technologies, workplaces, enforcement, positive and negative examples
- **Environmental financing:** financing mechanisms, role of donors and IFIs, Environmental Funds, public private partnerships, affordability

2.2- Managing Natural Assets for Sustainability

- **Land – Physical Planning:** Process of rapid urbanization after the wars and instability, what is (not) done to manage the process, cities, coastal zone, war affected areas
- **Nature and Biodiversity:** Nature conservation management – protected areas, high potential for natura 2000, existing and emerging threats, institutions, capacity
- **Waters:** Quantity, Quality, institutions, open issues, cross border cooperation (Danube, Sava, Ohrid, Prespa, Vardar)
- **Marine Environment:** Pressures on the marine environment: fishing, tourism, infrastructure; cross border initiatives - Adriatic-Ionian

- **Forests:** Environmental, social and economic importance in the region, changes in management objectives, policies, institutions, implementation
- **Tourism:** trends in tourism, impact on environment and opportunities for sustainable tourism
- **Agriculture:** collapse of traditional agriculture, social and environmental consequences of polarisation between intensive and traditional, implications of EU Agricultural policy, opportunities for rural development

2.3- Improving Living Environment

- **Environment and Health:** Highlight main environmental health risks in the region (e.g. leaded petrol, air pollution), measures taken, effects
- **Legacy of war:** results of the Environment and Security Initiative and its follow-up; industrial sites, depleted Uranium, land mines
- **Climate Change:** Legal and factual situation of Western Balkans countries according to Convention on Climate Change and Kyoto Protocol, opportunities for energy efficiency and renewable sources, issues of adaptation
- **Waste:** trends in quantity and quality of waste, waste management practices, investment in new facilities, use of economic instruments
- **Energy:** Energy production and use in the Western Balkans, energy efficiency initiatives, rehabilitation of old power plants,

development of new generating capacity, environmental impact

- **Industry:** including mining: Hot spots, decline or restructuring, environmental management, IPPC
- **Transport:** rapid development of road transport, situation of rail and public transport, environmental impact of local traffic in the cities and transit traffic, sustainable transport initiatives in the region

3 - Environment key challenges in Western Balkans

Operational objectives and targets:

3.1- Climate Change and clean energy

- Kyoto Protocol commitments of the EU-15 and most EU-25 to targets for reducing greenhouse gas emissions by 2008 – 2012, whereby the EU-15 target is for an 8% reduction in emissions compared to 1990 levels. Aiming for a global surface average temperature not to rise by more than 2°C compared to the pre-industrial level.
- Energy policy should be consistent with the objectives of security of supply, Competitiveness and environmental sustainability, in the spirit of the Energy Policy for Europe launched in March 2006 by the European Council. Energy policy is crucial when tackling the challenge of climate change.
- Adaptation to, and mitigation of, climate change should be integrated in all relevant European policies.

- By 2010 12% of energy consumption, on average, and 21% of electricity consumption, as a common but differentiated target, should be met by renewable sources, considering raising their share to 15% by 2015.
- By 2010 5,75% of transport fuel should consist of bio-fuels, as an indicative target, (Directive 2003/30/EC), considering raising their proportion to 8% by 2015.
- Reaching an overall saving of 9% of final energy consumption over 9 years until 2017 as indicated by the Energy End-use Efficiency and Energy Services Directive.

3.2- Sustainable Transport

- Decoupling economic growth and the demand for transport with the aim of reducing environmental impacts.
- Achieving sustainable levels of transport energy use and reducing transport greenhouse gas emissions.
- Reducing pollutant emissions from transport to levels that minimise effects on human health and/or the environment.
- Achieving a balanced shift towards environment friendly transport modes to bring about a sustainable transport and mobility system.
- Reducing transport noise both at source and through mitigation measures to ensure overall exposure levels minimise impacts on health.

- Modernising the EU framework for public passenger transport services to encourage better efficiency and performance by 2010.
- In line with the EU strategy on CO2 emissions from light duty vehicles, the average new car fleet should achieve CO2 emissions of 140g/km (2008/09) and 120g/km (2012).
- Halving road transport deaths by 2010 compared to 2000.

3.3- Sustainable consumption and production

- Promoting sustainable consumption and production by addressing social and economic development within the carrying capacity of ecosystems and decoupling economic growth from environmental degradation.
- Improving the environmental and social performance for products and processes and encouraging their uptake by business and consumers.
- Aiming to achieve by 2010 an EU average level of Green Public Procurement (GPP) equal to that currently achieved by the best performing Member States.
- The EU should seek to increase its global market share in the field of environmental technologies and eco-innovations.

3.4- Conservation and management of natural resources

- Improving resource efficiency to reduce the overall use of non renewable natural resources and the related environmental impacts of raw materials use, thereby using renewable

natural resources at a rate that does not exceed their regeneration capacity.

- Gaining and maintaining a competitive advantage by improving resource efficiency, inter alia through the promotion of eco-efficient innovations.
- Improving management and avoiding overexploitation of renewable natural resources such as fisheries, biodiversity, water, air, soil and atmosphere, restoring degraded marine ecosystems by 2015 in line with the Johannesburg Plan (2002) including achievement of the Maximum Yield in Fisheries by 2015.
- Halting the loss of biodiversity and contributing to a significant reduction in the worldwide rate of biodiversity loss by 2010.
- Contributing effectively to achieving the four United Nations global objectives on forests by 2015.
- Avoiding the generation of waste and enhancing efficient use of natural resources by applying the concept of life-cycle thinking and promoting reuse and recycling.

3.5- Cultural heritage

- Regional environmental cooperation has been established, with the Commission playing a key role in the development of the Regional Environmental Reconstruction Programme, which provides a framework for environmental actions to be pursued at regional level. All the countries of the region are involved in this process, as well as in the Environment Compliance and Enforcement Network for Accession (ECENA). – The Commission

contributes to the *protection and preservation of the cultural heritage* in the Western Balkans through the programme for Cultural and Natural Heritage in South-East Europe that it runs jointly with the Council of Europe. More than 160 monuments and sites will be restored or rehabilitated under this scheme.

3.6- Public Health

- Improving protection against health threats by developing capacity to respond to them in a co-ordinated manner.
- Further improving food and feed legislation, including review of food labelling.
- Continuing to promote high animal health and welfare standards in the EU and internationally.
- Curbing the increase in lifestyle-related and chronic diseases, particularly among socio-economically disadvantaged groups and areas.
- Reducing health inequalities within and between Member States by addressing the wider determinants of health and appropriate health promotion and disease prevention strategies. Actions should take into account international cooperation in fora like WHO, the Council of Europe, OECD and UNESCO.
- Ensuring that by 2020 chemicals, including pesticides, are produced, handled and used in ways that do not pose significant threats to human health and the environment. In this context, the rapid adoption of the Regulation for the registration, evaluation, authorisation and restriction of chemicals (REACH) will be a milestone, the aim being to eventually replace

substances of very high concern by suitable alternative substances or technologies.

- Improving information on environmental pollution and adverse health impacts.
- Improving mental health and tackling suicide risks.

3.7- Global poverty and sustainable development challenges

- Make significant progress towards meeting the commitments of the EU with regard to internationally agreed goals and targets, in particular those contained in the Millennium Declaration and those deriving from The World Summit on Sustainable Development held in Johannesburg in 2002 and related processes such as the Monterrey Consensus on Financing for Development, the Doha Development Agenda and the Paris Declaration on Aid Harmonisation.
- Contribute to improving international environmental governance (IEG), in particular in the context of the follow-up to the 2005 World Summit outcome, and to strengthening multilateral environmental agreements (MEAs).
- Promote sustainable development in the context of the WTO negotiations, in accordance with the preamble to the Marrakech Agreement establishing the World Trade Organisation which sets sustainable development as one of its main objectives.
- Increase the effectiveness, coherence and quality of EU and Member States aid policies in the period 2005–2010.

- Include sustainable development concerns in all EU external policies, including the Common Foreign and Security Policy, inter alia by making it an objective of multilateral and bilateral development cooperation.

3.8- Research and Development

- Research into sustainable development must include short-term decision support projects and long-term visionary concepts and has to tackle problems of a global and regional nature. It has to promote inter- and trans-disciplinary approaches involving social and natural sciences and bridge the gap between science, policy-making and implementation. The positive role of technology for smart growth has to be further developed. There is still a strong need for further research in the interplay between social, economic and ecological systems, and in methodologies and instruments for risk analysis, back- and forecasting and prevention systems.

4 - Evolution on the environmental policy

Coming out of the 1990s, environmental standards in the western Balkans were low. That is why the European Union has invested and continues to invest a great deal of time, and money, to improving environmental protection, awareness, and conservation.

In the former Yugoslav Republic of Macedonia, a new EU-funded programme will help the government develop a financing strategy to clean the most serious industrially polluted areas in the country. Under a previous project, 17 such 'hot spots' were identified, with the required investment estimated at some €100

million. The Agency has already treated one major environmental hot spot, a landfill at Jegunovce near Tetovo, which contained the risk of leakage of *hexavalent chromium*, a carcinogen, into the country's largest river (the Vardar) and the aquifers used for the drinking water supply. Meanwhile, the Ministry of Environment continues to receive EU support, and new laws on air, water and waste management have been developed. Air and water quality monitoring stations have also been installed across the country.

The environment in Kosovo considerably improved following the substantial investments of the EU. Seven new sanitary landfills have been constructed providing waste storage for the next 15 to 20 years, and 20 uncontrolled dumpsites have been closed. With considerable investment in waste collection also taking place, Kosovo will continue to improve its environment through good management of resources, and EC funds are providing capacity building to the waste utilities. The water sector is also being strengthened through a capacity building project, which has followed on from an intensive infrastructure improvement programme which provided replacement pipes, a pumping station, refurbishment reservoirs and control systems in the Pristina and Mitrovica regions.

The Kosovo conflict did not cause an environmental catastrophe affecting the Balkans region as a whole, but pollution detected at four environmental "hot spots" in Serbia (Pancevo, Kragujevac, Novi Sad and Bor), is serious and poses a threat to human health (UNEP/UNCHS, 1999). Much of the pollution pre-dates the conflict. At Pancevo (industrial complex), the wastewater canal which flows into the Danube is seriously contaminated with 1,2-dichloroethane

(EDC) and mercury. There is also a mercury spill at the petrochemical factory. At the Zastava car plant in Kragujevac, there is PCB and dioxin contamination, and significant quantities of poorly-stored hazardous waste. At Novi Sad (oil refinery next to the river Danube) oil product pollution may have contaminated the groundwater/drinking water supplies. At Bor (ore smelting complex), large amounts of sulphur dioxide gas are released into the atmosphere, and there is damaged equipment containing PCB oils. There is no evidence of an ecological disaster for the river Danube as a result of the conflict. Pollution of the Danube sediment and biota is chronic both upstream and downstream of the sites directly affected by the conflict. Protected areas suffered physical damage from air strikes within limited areas, but this is of relatively minor importance when seen in relation to the overall size of the protected areas and the ecosystems which surround the sites which were hit. However, unexploded ordnance is both an immediate safety issue (risk to staff working in protected areas) and a possible long-term constraint to future tourism in and around protected areas.

EC funds have been supporting institution development and capacity building in Kosovo's Ministry of Environment and Spatial Planning since its inception in 2002, including development of resources through the principle of river basin management.

In Serbia, the Agency has helped the Ministry of the Environment to draft action plans to tackle the Republic's serious environmental problems. Laws on waste management, nature protection and air protection have been drafted in line with EU standards.

A National Environmental Protection Agency was also set up. EU funds are invested in improving air quality monitoring, protecting water resources, and supporting municipal infrastructure for wastewater treatment and solid waste disposal. A recently launched Agency 'twinning' project will partner German officials with the Ministry of Agriculture's water management directorate to assist them to safeguard and improve water quality, and bring laws in line with the EU Water Framework Directive.

In Montenegro, the EU has helped to create an Environmental Protection Agency within the Ministry of Environment. This Agency will enforce tougher, new environmental laws that are being drafted with the EU's help. Strategic master plans were drawn up for solid waste and wastewater management, to be used as a basis for attracting loan funding.

REFERENCES:

- CARDS Assistance Programme to the western Balkans - Regional Strategy Paper - 2002-2006 – European Commission
- EU Environmental Policies: A short history of the policy strategies (on basis of Article By Dr. Christian Hey2, in EEB handbook)
- Western Balkans Regional Environmental Report. - United Nations Development Programme
- Council of the European union - Brussels, 9 June 2006. 10117/06
- The Western Balkans on the road to the EU: consolidating stability and raising prosperity - Communication from the Commission - COM (2006) 0027 final
- Working together for a better environment-European Agency for Reconstruction. - Presentation to the Governing Board – 03/10/2003
- UNEP/UNCHS. 1999. The Kosovo Conflict – Consequences for the Environment and Human Settlements. Report of the UNEP/UNCHS Balkans Task Force. United Nations Environment Programme/UNCHS, Nairobi, Kenya. and UNEP News Release 99/112 of 14 October 1999.
- UNEP/UNCHS. 1999b. The potential effects on human health and the environment arising from possible use of depleted uranium during the 1999 Kosovo conflict. Report of the UNEP/UNCHS Balkans Task Force. United Nations Environment Programme/UNCHS.
- The Thessaloniki agenda for the Western Balkans (2003)

WEB:

<http://www.delmkd.cec.eu.int>
<http://www.ear.eu.int>
http://www.europa.eu/index_en.htm
<http://www.euroactiv.com>
<http://www.esiweb.org/>
<http://www.newngoforum.org>
<http://www.rec.org>
<http://www.see-environment.info>
<http://www.unece.org>



name: **Rodríguez Rodrigo, Mª del Mar**
 degree: B.A. Sciences: Physics
 country: Spain
 e-mail: mrodrigues@analyticamk.org
 marrodrod@yahoo.es

EU SUPPORT PROGRAMMES TOWARDS SEE

EDUCATIONAL PROGRAMMES

1. SOCRATES

The aim of Socrates Phase II is to promote a Europe of knowledge and encourage lifelong education through learning foreign languages, encouraging mobility, promoting cooperation at European level, opening up to methods of access to education and increasing the use of new technologies in the field of education.

The two main ideas behind SOCRATES II are: the promotion of lifelong learning and the development of a Europe of knowledge. The more specific aims of SOCRATES II are as follows:

- to strengthen the European dimension in education at all levels;
- to improve knowledge of foreign languages;
- to promote cooperation and mobility in the field of education;
- to encourage the use of new technologies in education;
- to promote equal opportunities in all sectors of education.

Implementation of these aims at European level is complementary to the policies of the Member States. The Commission will ensure that programme measures are consistent with other Community measures and policies.

The SOCRATES programme is implemented through eight measures:

- **Comenius:** school education: nursery, primary and secondary schools. Aim: to increase the quality of education, strengthen the European dimension and promote language learning.
- **Erasmus:** higher, university and post-university education. It is aimed to encourage mobility and language learning.
- **Grundtvig:** adult education and other education pathways. Aim: to supplement Comenius and Erasmus by facilitating the integration of adults excluded from the school system.
- **Lingua:** language learning. Aim: to promote the targeted learning and teaching of languages.
- **Minerva:** information and communication technologies in education. Aim: to encourage the use of information and communication technologies (ICT), multimedia and open and distance learning (ODL).

- **Observation and innovation in education systems:** Aim: to observe the educational contexts of other Member States in order to make each national education system innovative.
- **Joint measures:** Aim: to increase synergy in education policies (Socrates), vocational training (Leonardo da Vinci) and youth (Youth).
- **Accompanying measures:** Aim: to increase the flexibility of Socrates.

The beneficiaries of the measures are: a) all pupils, students or other learners; b) all categories of education personnel; c) all types of education establishments; d) persons and bodies responsible for education systems and policies at local, regional and national level.

In addition, participation in the measures is also open to all public and private organisations cooperating with education establishments, particularly: a) local and regional authorities and organisations; b) associations working in the field of education; c) parents' associations; d) enterprises and groups of enterprises, and professional organisations; e) chambers of commerce and industry; f) social partner organisations at all levels; g) research centres and organisations.

The programme is continuously monitored by the Commission in cooperation with the Member States. On the basis of two four-yearly reports from each Member State, the Commission will present to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions the following documents: an interim evaluation report on the implementation of the programme, to be submitted by 30.6.2004; a communication on the continuation of the programme, to be submitted by 31.12.2006 and an ex-post evaluation report, to be submitted by 31.12.2007.

2. ERASMUS MUNDUS

The Erasmus Mundus programme is a co-operation and mobility programme in the field of higher education which promotes the European Union as a centre of excellence in learning around the world. It supports European top-quality **Masters Courses** and enhances the visibility and **attractiveness of European higher education** in third countries. It also provides EU-funded **scholarships for third country nationals** participating in these Masters Courses, as well as **scholarships for EU-nationals** studying at **Partner universities throughout the world**.

The Erasmus Mundus programme has earned political support from governments, policy-makers and higher education institutions all over Europe. It is seen as a useful means to respond to the challenges European higher education faces today, in particular the need to stimulate the process of the convergence of degree structures and to enhance the attractiveness of European higher education world-wide. These are themes central to the **Bologna Process**

and to national reform in higher education in Member States and coincides with the European Union's **Lisbon Strategy**, a commitment to making Europe the most competitive and knowledge-based economy in the world and a reference for high quality and excellence in education.

The beneficiaries of this programmes are: **European higher education institutions**, **third-country higher education institutions** seeking European partners, **third-country students** having obtained a first degree awarded by a higher education institution, **European students** having obtained a first degree awarded by a higher education institution, **third-country scholars** (academics or professionals) who lecture or conduct research, **European scholars** (academics or professionals) who lecture or conduct research, **other public or private bodies** active in the field of higher education. All these beneficiaries have to come from the **27 EU Member States**, the countries of the **European Free Trade Association (EFTA)** (Iceland, Liechtenstein, Norway), the **candidate countries** for accession to the EU (Croatia, Turkey, Former Yugoslav Republic of Macedonia-FYROM) and all the **other countries of the world** ("third countries").

The European Commission mandated the **Educational, Audiovisual and Cultural Executive Agency** to implement the Erasmus Mundus programme. In concrete terms, the programme is implemented via annual **calls for proposals** that are published on the website of this programme every February. National contact and information points ("National Structures") exist in each European country to offer assistance and advice to universities,

students, scholars, and other participating institutions.

3. TEMPUS

The Trans-European mobility scheme for university studies funds projects between the higher education sector in the EU and its 26 partner countries to facilitate university modernisation, mutual learning between regions and peoples and understanding between cultures. The Tempus partner regions are the Western Balkans, Eastern Europe and Central Asia, North Africa and the Middle East.

Established in 1990 following the fall of the Berlin Wall, Tempus has been renewed four times. The Tempus programme funds cooperation projects in the areas of curriculum development and innovation, teacher training, university management, and structural reforms in higher education. It puts special emphasis on the mobility of academic and administrative staff from higher education institutions, both from the EU and the partner countries. It promotes the "people to people" approach: its added value lies in its promotion of international and regional co-operation, which generates better communication and new networks of personal and professional contacts between the academic worlds of the EU and the partner countries and it is designed to support the **transition and modernisation processes** in higher education through a range of interventions.

Tempus is managed by the European Commission's DG Education and Culture with assistance given by the European Training Foundation. Tempus projects are organised as

consortia between institutions in EU Member States and those in the partner countries. In each EU Member State, a National Contact Point offers advice and assistance to prospective and current Tempus projects. In Tempus partner countries, the EU is aided by National Tempus Officers that facilitate partner search and provide information on Tempus in their countries.

The content and modalities of Tempus IV are currently being developed. There will be no deadlines for the submission of proposals during the first semester 2007

4. LEONARDO DA VINCI PROGRAMME

This programme has three general objectives:

- to improve the skills and competencies of people, especially young people, in initial vocational training at all levels; this may be achieved inter alia through work-linked vocational training and apprenticeship with a view to promoting employability and facilitating vocational integration and reintegration;
- to improve the quality of, and access to, continuing vocational training and the lifelong acquisition of skills and competencies with a view to increasing and developing adaptability, particularly in order to consolidate technological and organisational change;
- to promote and reinforce the contribution of vocational training to the process of innovation, with a view to improving competitiveness and entrepreneurship, also in view of new employment possibilities; special attention will be paid in this respect to fostering co-operation between vocational

training institutions, including universities and undertakings, particularly SMEs.

The countries who can participate are all Member States of the European Union the European Free Trade Association (EFTA) countries which are members of the EEA: Iceland, Liechtenstein and Norway under the terms of the EEA agreement; and the candidate countries to the European Union. Proposals may be submitted by private, public or semi-public organizations and institutions involved in vocational training. Calls for proposals are organized at Community level and published in the Official Journal of the European Communities.

RESEARCH PROGRAMME

1. 7th FRAMEWORK PROGRAMME (2007-2013).

At the heart of the Lisbon Strategy, research is a component of a knowledge triangle (the other two components being education and innovation) that should boost growth and employment in the European Union (EU) in the context of a global economy. The 7th Framework Programme for Research, covering the period 2007 to 2013, is an opportunity for the EU to match its research policy to its ambitions in terms of economic and social policy by consolidating the European Research Area (ERA). In order to achieve this objective, the Commission hopes to increase the EU's annual spending on research, thereby generating more national and private investment in this field. When it is implemented, the 7th Framework Programme will also have to respond to the

research and knowledge needs of industry and more generally to European policy needs. The Framework Programme is organised around five main programmes and has been greatly simplified so as to be more effective and more accessible to researchers. These programmes are:

- **Cooperation:** It fosters collaborative research across Europe and other partner countries through projects by transnational consortia of industry and academia.
- **Ideas:** will support "frontier research" solely on the basis of scientific excellence. Research may be carried out in any area of science or technology, including engineering, socio-economic sciences and the humanities
- **People:** The People programme provides support for researcher mobility and career development, both for researchers inside the European Union and internationally.
- **Capacities:** strengthens the research capacities that Europe needs if it is to become a thriving knowledge-based economy.
- **Nuclear research:** will comprise research, technological development, international cooperation, dissemination of technical information, and exploitation activities, as well as training.

Participation in FP7 is open to a wide range of organisations and individuals: research groups at universities or research institutes, companies intending to innovate, small or medium-sized enterprises (SMEs), SME associations or groupings, public or governmental administration, etc.

FP7 is open to participation from any country in the world. An important group are the International Cooperation Partner Countries (e.g. Russia and other Eastern European and Central Asian states, developing countries, Mediterranean partner countries, Western Balkans countries). Participants from these countries are entitled to funding under the same conditions as EU Member States. The only restriction for them is that consortia must first have the required minimum number of participants from Member States or associated countries. The concrete plans for implementing the Specific Programmes are announced by the European Commission in annual 'Work Programmes'. These work programmes include the schedule of 'Calls for Proposals', the first of these were published on 22 December 2006.

2. CORDIS (Community Research & Development Service Information).

CORDIS is an information space devoted to European research and development (R&D) and innovation activities. The main aims of CORDIS are:

- To facilitate participation in Community research and innovation activities.
- To improve exploitation of research results with an emphasis on sectors crucial to Europe's competitiveness.
- To promote the diffusion of knowledge fostering the innovation performance of enterprises and the societal acceptance of new technology.

CORDIS is free of charge and provides a comprehensive overview of programmes, actions and calls related to research, development and innovation. By entering details into the CORDIS web-site search engine, it can rapidly identify existing possibilities. It offers a number of services that allow users to gain a better understanding of the various R&D and innovation support mechanisms, thereby increasing their chances of succeeding in their own application.

The FP7 service has its own dedicated sub-site within CORDIS, with comprehensive information concerning all aspects of R&D involvement.

BIBLIOGRAPHY

Educational Programmes

- European Commission, Directorate General for Education and Culture:
http://europa.eu.int/education/index_en.htm
- Education and training, general framework:
<http://europa.eu/scadplus/leg/en/s19004.htm>
- Education, youth and cooperation with third countries:
<http://europa.eu/scadplus/leg/en/s19006.htm>
- Education and training 2010 diverse systems, shared goals:
http://ec.europa.eu/education/policies/2010/et_2010_en.html
- Grants of the European Union for education:
http://ec.europa.eu/grants/index_en.htm#educ

Research Programme

- Seventh Framework Programme (2001-2013), building a Europe of knowledge:
<http://europa.eu/scadplus/leg/en/lvb/i23022.htm>
- 7th Framework Programme for Research and Innovation:
<http://ec.europa.eu/resarch/fp7>
- Community Research and Development Information Service:
<http://cordis.europa.eu/en/home.html>



name: **Marco Crestani**
 degree: Masters in Health Care
 country: Italy
 e-mail: mcrestani@analyticamk.org
 b23a@hotmail.com

EU-WESTERN BALKANS RELATIONS

The EU's fundamental aim for the Western Balkans region (South East Europe) is to create a situation where military conflict is unthinkable – expanding the region the area of peace, stability, prosperity and freedom established over the last 50 years by the EU and its member states.

For countries in the region that have made sufficient progress in terms of political and economic reform and administrative capacity, the next step is a formal contractual relationship with the EU. This takes the form of a tailor-made Stabilisation and Association Agreement. To date, Croatia, the former Yugoslav Republic of Macedonia and Albania have signed such agreements, while Serbia, Montenegro and Bosnia and Herzegovina have launched SAA talks.

In the wake of the violent conflicts that marked the recent history of the Western Balkans region, the EU considers it a priority to promote the development of peace, stability, prosperity and freedom in the South Eastern European countries of Croatia, Serbia, Montenegro, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia (FYROM) and Albania. Croatia is discussed in a separate Links Dossier on account of its official candidate status. The framework for the EU's approach is the Stabilisation and Association Process (SAP), which is designed to

encourage and support domestic reform processes. In the long run, SAP offers these countries the prospect of full integration into the EU's structures, provided that certain political and economic conditions are met.

The Lisbon European Council of March 2000 stated that Stabilisation and Association Agreements with Western Balkan countries, which involve the establishment of Free Trade Areas "should be preceded by asymmetrical trade liberalisation". As part of the Stabilisation and Association process the Council decided to improve the existing autonomous trade preferences, and provide autonomous trade liberalisation for 95% of all the affected countries' exports to EU.

The EU, also in its capacity as the main assistance donor in the region, recognizes progress by entering into formal contractual relationship with the qualifying states. To date, Croatia, the FYROM and Albania have signed Stabilisation and Association Agreements (SAA) with the EU. The other countries will follow once they have achieved the required progress on reform.

Albania:

- **1992:** Trade and Co-operation Agreement between the EU and Albania. Albania

becomes eligible for funding under the PHARE programme.

- **1999:** The EU proposes a new SAP for five countries of the region, including Albania.
- **2000:** Feira European Council states that all the SAP countries are "potential candidates" for EU membership.
- **2003:** On 31 January, the Commission officially launches the negotiations for a SAA between the EU and Albania.
- Between 1991 and 2004 the EU has allocated a total of 1,273 million euro to Albania, mostly under the PHARE and the CARDS programmes
- Currently, the EU's main priorities in the country include strengthening public administration and the judiciary; developing police and public order; enhancing the customs service; developing public services and infrastructure; improving the system of education; and strengthening democracy and human rights.
- The SAA is still being negotiated with Tirana. Talks began in January 2003.
- **2004:** In June, the Council reaches a decision on the principles of a European partnership for Albania.
- **November 2005:** The Commission issues its annual progress report on Albania

- **December 2005:** The European Council decides on the revision of the European Partnership for Albania
- On **12 June 2006** Albania signed as the third Western Balkan state a Stabilisation and Association Agreement with the EU.

Bosnia and Herzegovina (BiH):

- **1995:** The Dayton/Paris Peace Agreement brings the war to an end and establishes the Federation of BiH and the Republika Srpska.
- **1998:** EU Declaration establishes the EU/BiH Consultative Task Force (CTF), a joint vehicle for technical and expert advice in the field of administration, the regulatory framework and policies.
- **2000:** The EU Road Map sets out 18 essential steps to be undertaken by BiH before work on a Feasibility Study for the opening of negotiations on an SAA could be begun.
- **2000:** Feira European Council states that all the countries covered by the SAP are potential candidates for EU membership.
- **2001:** First year of the CARDS assistance programme specifically designed for the SAP countries.
- **2001:** Commission adopts Country Strategy for BiH.
- **2003:** The Thessaloniki Summit decides to strengthen political co-operation, enhance institution-building and implement further trade measures to promote economic growth.
- **2003:** Commission approves BiH Feasibility Study
- Since 1991, the EU has committed some 2.5 billion worth of funds to BiH
- **2004:** In June, the EU decides on a European partnership for BiH

- **2004:** In December, EUFOR replaces SFOR ("Althea" operation)
- **October 2005:** Commission recommends to Council to open talks on a Stabilisation and Association Agreement (SAA)
- **November 2005:** Commission issues annual progress report on BiH
- **November 2005:** Council gives green light to opening SAA talks with BiH
- **January 2006:** SAA talks formally open

Former Yugoslav Republic of Macedonia:

- **1996:** The FYROM becomes eligible for funding under the PHARE programme.
- **2000:** The Council adopts negotiating directives for an SAA under the 1999 SAP.
- **2001:** The FYROM becomes the first country in the region to sign an SAA The SAA enters into force on 1 April 2004.
- **2003:** Mission 'Concordia', the first-ever EU military mission starts operations with a six-month mandate.
- **22 March 2004:** the FYROM submits its application for EU membership.
- Through the CARDS programme, the EU has allocated a budget of 173 million euro to the FYROM for the period 2001-2004. The budget is managed by the European Agency for Reconstruction
- In **April 2005**, the Commission approved a 34.5 million euro CARDS aid package for the FYROM for 2005.
- On **9 November 2005**, the Commission recommends granting candidate status to FYROM.
- On **17 December 2005**, the Council decides to grant candidate status to the country. However, no date is specified for the start of membership talks.

- **February 2006:** Macedonia becomes member of the Central European Free Trade Agreement (CEFTA)

Serbia and Montenegro (until May 2006):

- The state of Serbia and Montenegro is composed of the Republic of Serbia, Kosovo and the Republic of Montenegro. The UN has placed the province of Kosovo under an interim international civil and military administration following the 1999 conflict.
- In total, combining CARDS (previously OBNOVA), macro-financial and humanitarian assistance, EC assistance to Serbia and Montenegro has amounted to more than 2.9 billion euro since 1991.
- In **April 2005**, the Commission approved a 184 million euro CARDS aid package for Serbia and Montenegro for 2005.
- Based on a "twin-track" approach (whereby the two republics would negotiate with the EU separately in areas where they operate separately but at the same time they would aim to conclude a single Stabilisation and Association Agreement) the Council has agreed to reopen talks towards the republics' possible EU membership.
- In **April 2005**, the Council called on the Commission to open negotiations on a Stabilisation and Association Agreement "as soon as possible".
- **April 2005:** The Commission adopts a feasibility report which concluded that Serbia and Montenegro is prepared to negotiate a Stabilisation and Association Agreement with the EU.
- **November 2005:** Commission issues annual progress report on Serbia and Montenegro

- **1 March 2006:** Adoption of a special law on the referendum on State-legal status for Montenegro.
- On **3 May 2006** EU suspends further talks on the SAA with Serbia. The next talks were scheduled for 11 May 2006.

Montenegro:

- On **21 May 2006** the referendum on Montenegro's independence of Serbia was held (55.5 % vote for a separation of Serbia; 44.5 % of the voters wanted to remain with Serbia).
- **3 June 2006:** Declaration of Montenegro's independence was formally adopted by the Montenegrin parliament.

The Italian Presidency's action

The Presidency's action on the Western Balkans was inspired by the region's clear European orientation and the need to strengthen the Union's policy on this area, through the Stabilisation and Association Process (SAP), using instruments that draw on the experience gained in the enlargement process. Minister Frattini highlighted/underscored the need to ensure the timely and substantive implementation of the commitments entered into at the EU-Balkans Summit in Thessaloniki. Thanks to the initiatives undertaken by the Commission, a start was made on reinforcing the SAP, which has a part to play in helping each country in the region to advance along the road to integration. The Commission presented a proposal for a Council Regulation envisaging individual European partnerships in spring 2004, and a communication to the Council on the preparations for the participation (by the end of 2005) of the countries of the Western Balkans in Community agencies and programmes. Twinning

agreements are to be extended to the entire region to provide greater support for the strengthening of the institutions.

The Technical Assistance Information Exchange Office (TAIEX) service has already been extended to the Balkans to assist them in bringing their legislation up to the required level. The new EU-Western Balkans Forum that has been established confirms the privileged and inclusive relationship the EU intends to build up with the countries of the region, and provides an opportunity to discuss questions of common interest, examine the progress made by the countries of the region on the road towards Europe and exchange views on the principal developments within the EU. In this context, the first meetings of Foreign Ministers and Justice and Home Affairs Ministers took place in Brussels (on 9 December and 28 November respectively). The political dialogue with the countries of the region was reinforced with the adoption of arrangements for the implementation of the Thessaloniki agenda on cooperation in the CFSP sector. The dialogue was completed with the adoption of the Joint Declarations formalising the political dialogue with Bosnia-Herzegovina and Serbia and Montenegro. The economic dialogue will be extended to all SAP countries early in 2004. Given the role that investment can play and the importance of economic prosperity to the long-term stability of the region, the Italian Presidency promoted a round table with the Finance Ministers of the Balkan countries and the EBRD, the EIB, the World Bank and the European Commission. This took place in Venice on 30 October, 2003 and led to the approval of five initiatives in support of sectors of vital importance to the region: the development of the private sector, and SMEs in particular, energy and transport. Further progress has been

made in the area of regional cooperation, especially with regard to free trade, energy and transport. The meeting of the region's Trade Ministers in Rome on 13 November, 2003 paved the way for the completion of the network of bilateral free trade agreements, while on 8 December, 2003 a new Memorandum of Understanding was signed on the regional energy market. The report on regional transport drawn up by the Infrastructure Steering Group in response to the Thessaloniki agenda should contribute to the effective planning of public investment and the identification of priorities in the sector. In terms of combating corruption and organized crime, further progress was made in implementing the commitments undertaken in London (November 2002) and Thessaloniki (June 2003). The action plans presented at the ministerial meeting of 28 November, 2003 paved the way for improved coordination between the different instruments available to the Union in this sector. Progress was also made in relations with individual countries. The Commission's Report on Bosnia-Herzegovina's state of readiness to negotiate a Stabilisation and Association Agreement with the Union was presented. The Council invited the government of Bosnia-Herzegovina to make significant progress by the summer of 2004 in the sectors identified by the Commission as areas for priority action. Any decision taken by the end of 2004 on the opening of negotiations for a Stabilisation and Association Agreement will depend on the progress achieved. At the invitation of the Council, a similar feasibility study is being prepared for Serbia and Montenegro, to which the Union has confirmed its full support, including through the adoption of a number of substantive measures such as the institutionalization of the political dialogue, the granting of further macro-financial assistance, and the opening of negotiations for a

trade agreement on textile products. Stabilisation and Association negotiations with Albania are being taken forward, while the Stabilisation and Association agreements with the FYROM and are at the ratification stage. Croatia's application for EU membership is being studied by the Commission, which is expected to reach a decision by spring 2004. The FYROM has announced that it will apply for EU membership before the end of February 2004. The Presidency devoted particular attention to Kosovo. With the conclusions adopted by the Council on 17 November, 2003 and the Joint Conclusions of the Ministerial meeting of the EU-Balkans Forum of 9 December, 2003 the EU and the countries of the region gave their full support to the approach followed by the UN Secretary General's Special Representative, Holkeri, in putting the "standards before status" policy into practice. Italy's relations with the countries of the Balkans are a natural priority on the panorama of Italian foreign policy. Events in the Adriatic regions have an immediate effect on our country's domestic security and external relations. Attention for the Balkan countries is a unique opportunity for the Italy System as a whole, particularly for its industrial and commercial centres and given Italy's access to strategic sectors (telecommunications, infrastructures and banks). Our geographic proximity, interdependence in the areas of security and migratory flows and common interest in redefining the map of cooperation are reasons why all of South Eastern Europe is so important for Italy. Although there has been substantial consolidation of the peace process in the region over the last two years, much still needs to be done to ensure that the progress made to date is irreversible. The assassination of Serbian Prime Minister Zoran Djindjic, some countries' difficulties in undertaking reforms with determination, the tensions in Kosovo and

nearby areas (only partially reduced with resumption of dialogue between Belgrade and Pristina on practical matters) demonstrate the ongoing fragility of the political and institutional framework in many parts of the Balkans. Hence, the need for the international community to keep the Balkans a priority issue. Italy supports the processes underway in the region in both the European and transatlantic domain. Regional stabilisation, economic recovery, the consolidation of democracy and the fight against organized crimes are our country's primary goals. Prospects for closer association with Europe are an effective springboard to promoting the reforms needed for modernisation of the countries of the Western Balkans. Italy supports the process that will bring the region closer to the European Union because it will allow realisation of strategic goals. Italy's strategic goals also include closer association between the Western Balkans and Euro-Atlantic structures. Gradual integration into NATO will certainly advance the reform and modernisation process of the region's countries, promoting development of the democratisation process and the area's further stabilisation.

BIBLIOGRAPHY:

www.euractiv.com
www.esteri.it
<http://www.eu2003.gr>



name: **Ute Teufelberger**
 degree: Student in International business studies
 country: Austria
 e-mail: uteufelberger@analyticamk.org
 uteteufelberger@yahoo.de

RELATIONS BETWEEN AUSTRIA AND SOUTH EASTERN EUROPE: POLITICAL AND ECONOMIC RELATIONS

Abstract

Austria's relations with South Eastern Europe (SEE) are very intensive, on the one hand due to a common history on the other hand because of Austria's interest in stability of the region in the future. An important factor for this interest is of course based on the awareness that peace in South Eastern Europe is a prerequisite for economic activity. The prospect of a stable growing market neighbouring Austria and the consequent possibilities of deepening business relations, has made the wish for a peaceful Balkan even more momentous. This paper therefore starts out with the historical context and the political relations between Austria and SEE and will then focus on the economic relations between Austria and the Balkans.

Political Relations between Austria and South Eastern Europe

Austria can look back on age-long political, cultural and economical relations with the countries of South Eastern Europe, which is why this region takes a prominent place in Austrian foreign policy.

A very intensive time of interaction between Austria and the Balkans is the period of the "Danube Monarchy" which spanned large parts of Central and South Eastern Europe. The assassination of the heir to the throne Franz Ferdinand in Sarajevo in 1914 was the trigger of the beginning of World War I and can be viewed as symbolic for the tensions of the various national groups in the Balkans of Austria-Hungary. However, this period also had its positive effects: The Monarchy's economic and social life was marked by a rapid economic growth through the age of industrialization and social modernization through many liberal and democratic reforms.

The common history of today's Republic of Austria and the states of South Eastern Europe, despite its ambivalence, is still present in the awareness of the citizens of these countries. Therefore the positive relations between Austria's and its neighbours in the Balkans is of importance to the Austrian population and hence to Austrian foreign policy. There are obvious facts at hand which underline the importance of Austria's commitment for stability in South Eastern Europe: due to the geographic proximity, Austria is directly affected by what is going on in SEE: Austria has usually been one of the main recipients of refugees in times of

political crises and has also been a destination for migration from the Balkans. Whenever a military intervention has been taking place in South Eastern Europe this has happened via Austria. The closeness to the region is thus the reason that Austria is and has to be dealing with the complex of problems in the region and that South Eastern Europe has become an Austrian topic.

As Austria is a member of the European Union many activities concerning South Eastern Europe are now channelled via programmes by the European Union. Nevertheless, Austria has been strongly committed concerning the advancement of growth and stability of the countries of South Eastern Europe within the European Union. The goal of Austria's foreign policy in South Eastern Europe is stability in this region. From an Austrian perspective the only way to guarantee long-term peace is the inclusion of the whole region into a process of European integration. The accession of Bulgaria and Romania to the European Union as well as the status of a candidate country of Croatia and Macedonia are considered to serve as a stimulus for the rest of the countries in this region to accelerate their reforms to in order to approach the European Union. Austria, in accordance with the EU, is

eager to support the countries of South Eastern Europe in their reforms.

Austria's commitment for the region was evident during the Austrian EU-Presidency in 2006, when the Austrian government was strongly supporting the declaration of Croatia and Macedonia as candidate countries to the European Union and stated the general intention of the long-term integration of SEE into the EU. In the context of the foreign policy of the European Union, Austria traditionally takes a very active role in the interaction with the Balkans. One example is the Stability Pact for South Eastern Europe initiated by the European Commission which is headed by the former Austrian Vice-Chancellor Erhard Busek, who is an expert in this field. The appointment of the Austrian Ambassador in Belgrade, Wolfgang Petritsch as the Kosovo Coordinator of the EU in 1998 also shows the commitment and the consequent recognition of Austria and its officials in the advancement of stability and growth of the Balkans. Austria has also frequently served as a meeting place for negotiations between various government representatives for the countries of SEE: one example is the signature of framework agreements concerning the provision of property between the states of former Yugoslavia in 2001.

Austria's foreign policy has put an emphasis on the cooperation with the countries of SEE and has implemented the programme "Austrian Eastern Cooperation". The Austrian Eastern Cooperation supports the countries of South Eastern Europe in their efforts for EU-Integration, transformation and long-term peace. Albania, Bosnia and Herzegovina, Macedonia, Montenegro as well as Serbia incl.

Kosovo are the target countries of Eastern Cooperation in this region. The cooperation with Bulgaria and Romania has ceased with their accession to the European Union, and the cooperation with Croatia and Macedonia will eventually end, according to the timing of their accession. Moldavia has become a target country of the Austrian Eastern Cooperation in 2004. Programmes and projects of the Austrian Eastern Cooperation are implemented in the areas of economy and employment; education; environment, water and energy; and rule of law and civil society. The Austrian Development Cooperation has spent EUR 15.45 Mio. in 2005 for programmes in Albania, Bosnia and Herzegovina, Croatia, Macedonia Serbia (incl. Kosovo) and Montenegro. Moldavia received funds in the amount of EUR 0.86 Mio in the same year. The Austrian Eastern Cooperation is working in close tuning with other Austrian institutions committed to the advancement of SEE and focuses on synergies with the Austrian economy. Furthermore, the focus of the Eastern Cooperation is consistent with the Austrian activities in the stability pact.

Austria is aware that only a consolidated political and economical integration of SEE into the pan-European structures can ban the danger of conflicts and can lead to lasting stability of the region and of Europe as a whole.

Economic Relations between Austria and SEE

The economic growth in SEE is considerable and amounts to an average of around 5 % in the whole region. This economic transformation process is impressive and one of the most important factors for this process is the perspective of an EU-accession of SEE countries.

Next to political motives, the economic aspect is also the reason that the creation of middle- and long-term EU-accession perspectives for the rest of the SEE region was a major topic on the agenda of Austria's EU-Presidency in 2006.

Austria has comparative advantages in contrast to other export nations: due to Austria's geographic proximity and her better understanding of SEE mentality and culture as well as experiences from earlier business activities in former Yugoslavia, Austria has had fewer barriers in doing business with the countries of SEE. This is also the reason why many international companies and organizations work the SEE market from Austria. In this way Austria has also become the gateway of the west to the markets of SEE countries.

The development of Austria's foreign trade with SEE is characterized by an extreme economic growth. The trend shows an upward tendency with a steady increase of exports and imports in all countries of SEE. A decrease in certain countries in SEE in 2006 can be associated with temporary phenomena. The main sectors of export for Austria are machines, engineering products, vehicles, paper and cardboard and pharmaceutical products. Imports from SEE mainly consist of (processed) steel, aluminum, clothing, foodstuffs and timber. In many countries of SEE an increasing quality and competitiveness of the industry can be observed: this shows for example in the export of roller-bearings of BHs metal-working industry.

It is important to note that SEE is not only interesting as a selling market but also as an investment location. In all countries Austria is ranked among the top investors; in Bosnia and Herzegovina, Bulgaria, Croatia, Rumania and Slovenia, Austria is even the top investor with

up to 30% of FDI. Austrian companies are particularly active in the banking, the building and the insurance sector. Especially in the banking sector major projects have been undertaken recently: the Austrian Raiffeisen Zentral Bank took over the biggest Albanian bank, the Savings bank. The same bank is the second biggest bank in Kosovo with 21 branches all over the region. Austrian Erste Bank took over the majority of Banca Comerciala Romana, which is so far the biggest foreign investment of an Austrian company and at the same time the biggest foreign investment realised in Romania by a foreign investor. In Montenegro Austria Hypo Alpe Adria opened a branch. Further important sectors are petroleum industry - Austrian OMV is very successful in Albania and Rumania - and the foodstuffs industry.

The sectors with the highest future potential for Austrian companies are public and environmental infrastructure, the building sector, as well as tourism. In BH, Austrian companies expect orders in rail construction: One example is the modernisation of the rail network Banja Luka – Doboj – Sarajevo – Mostar and the planned extension of Doboj via Tuzla to Zvornik.

Austria is very committed to support the growth of Austrian FDI in the region and to ensure a positive investment climate: Shortly a bilateral soft loan agreement between Austria and BH will come into power, which will be mainly applied for infrastructure projects. Also Montenegro qualifies, according to Austrian soft loan provisions, as a recipient country. Additionally, Austria and Moldavia have signed a bilateral agreement on protection of investment.

Conclusion

The aim of this paper was to give a short overview of the common past of these areas and the political relations of SEE with Austria in the context of the European Union. The emphasis is then put on the promising future relations in the economic area, which are a consequence but also a condition for stability in the Balkans. The economic relations with Austria show a strong tendency of growth, with Austria being ranked among the top investors and traders in all countries of SEE. According to the general opinion of the Austrian economy, expressed by the high activity of the Austrian Chamber of Commerce and its associated Austrian companies in the field of expansion of economic relations, this positive trend is expected to continue. This trend of economic growth is certainly going to deepen the relations between Austria and SEE, as Austrian politics want to assure their businesses stability for a positive investment climate, and governments of SEE are keen to attract foreign investment and trade. Therefore, *they* are trying to create conditions which make further foreign investment an interesting option. The general wish for business activities between Austria and SEE will certainly on both sides encourage the support and implementation of reforms in SEE, bringing this region closer towards integration into the European Union.

BIBLIOGRAPHY:

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Albanien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Bosnien-Herzegowina: 1.*

Halbjahr 2006. Vienna:

AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Bulgarien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Kosovo (Serbien): 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Kroatien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Mazedonien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Moldau: 2. Halbjahr 2005*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Montenegro: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Rumänien: 2. Halbjahr 2005*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Serbien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Außenwirtschaft Österreich (Ed.). *AWO-Wirtschaftsreport Slowenien: 1. Halbjahr 2006*. Vienna: AWO, 2006

Busek, Erhard. *Österreich und der Balkan: Vom Umgang mit dem Pulverfaß*

Europas. Vienna: Molden Verlag, 1999.

Ernest König and Rudolf Hecht. *Österreich -
Brücke zum Balkan: Österreich,
Bindeglied zwischen dem Westen und
dem Balkan*. Vienna: Schriftenreihe der
Landesverteidigungsakademie, 2000.

Magenschab, Hans. „Österreichs Rolle auf dem
Balkan“. *Spannungsfeld Balkan*. Ed.
Erwin Pröll and Hans
Magenschab. Wien: Club Niederösterreich,
1999.

Pröll, Erwin. „Identität in Rot-Weiß-Rot“.
Spannungsfeld Balkan. Ed. Erwin Pröll and
Hans Magenschab. Wien: Club
Niederösterreich, 1999.

Sowards, Steven W.: *Moderne Geschichte des
Balkans: Der Balkan im Zeitalter des
Nationalismus*. Norderstedt: BoD
GmbH, 2004.

Todorova, Maria: *Die Erfindung des Balkans:
Europas bequemes Vorurteil*.
Darmstadt: Primus, 1999.

Online Resources:

Webpage of the Austrian Ministry of Foreign
Affairs:

<http://www.bmaa.gv.at>

Geographical allocation of bilateral funds
of the Austrian Development Cooperation:

[http://www.bmaa.gv.at/up-
media/2798_geo__verteilung_bilaterale_oeza_m
ittel.pdf](http://www.bmaa.gv.at/up-media/2798_geo__verteilung_bilaterale_oeza_mittel.pdf)

Webpage of the Department for Foreign Trade
of the Austrian Chamber of Commerce

[http://portal.wko.at/wk/startseite_ch.wk?ChID=
5](http://portal.wko.at/wk/startseite_ch.wk?ChID=5)