

### EU WILL OVERCOME INSTITUTIONAL CRISIS

- ☒ Leaders of 27 EU countries met for a Summit on June 21 and 22 in Brussels. After marathon negotiations, they finally came up with possible solution that will help the EU to overcome the current institutional crisis. According to Angela Merkel, German Chancellor, EU has “emerged from paralysis” and José Manuel Barroso, European Commission President said that “uncertainty about our future Treaty has cast a shadow of doubt over our ability to act. Now those doubts have been removed.” Similar reactions followed by Italian Prime Minister, Romano Prodi, who stated (for La Repubblica) that “this treaty furnishes Europe with the instruments that until now were missing. But there is no longer the shared spirit for going ahead.” The Summit, generally has been considered highly productive and successful. It brought new solutions for current institutional crisis. The major changes the new Treaty has introduced are full-time EU president, a beefed-up foreign affairs chief and a new voting system coming into force in 2009. Also, the most controversial proposal of the French President Nicolas Sarkozy regarding elimination of “free and undistorted competition” was accepted. After the finalization process, it is expected EU countries to ratify this new

treaty. What is most important, the new treaty means that EU Enlargement will remain open for SEE countries but at the same time it will be burdened with new stricter terms for potential candidates. [FT.com, 24/06/07; Utrinski vesnik, 25/06/07]

### SOUTHEAST EUROPEAN ENERGY FORUM IN ZAGREB

- ☒ Last week in Zagreb, Croatian President, Stipe Mesic, hosted the Southeast European Energy Forum where the heads of the states in the region – Albania, Macedonia, Bosnia and Herzegovina, Bulgaria, Macedonia, Montenegro, Serbia and Romania met and discussed the need of mutual regional cooperation in the area of energy. Russian President Vladimir Putin, as well as representatives of the Slovenian and Greek governments and representatives of European Commission also participated in this forum. All participants agreed that the countries in the region should cooperate in order to form regional energy market, for which they need technical and financial assistance from the European Union and Russia. Investments in renewable resources, expanding the network of oil and gas pipelines and diversification of energy sources are some of the recommendation that come out of this forum. Croatian president

Mesic said that all SEE countries wish to modernize their energy market and to harmonize it with EU regulations and, therefore, they need greater regional cooperation. In this line, he proposed signing a Treaty for regulating the conduct in a global energy market. Russian president confirmed that Russia is interested to cooperate and the country is already preparing many energy projects for this region. [SETimes.com, 25/06/07]

### EU CRITICISM TOWARDS BULGARIA AND ROMANIA

- ☒ The European Commission is not satisfied with the reform efforts by the two new member states, Romania and Bulgaria, in the areas of judiciary and fight against corruption and organized crime. This is written in the last European Commission report. Although the countries have continuously improved judicial systems and adopted laws on establishing institutions to fight corruption, the report states they have not shown sufficient conviction in high-level corruption. The report also pointed out contract killings in Bulgaria as a great concern. Even though Brussels is not completely satisfied with Bulgarian and Romanian achievement, the EC choose to continue monitoring in both countries, rather than to undertake concrete sanctions immediately. Bulgaria and Romania joined the European Union in January 2007. [Makfax; BBC, 27/06/07]