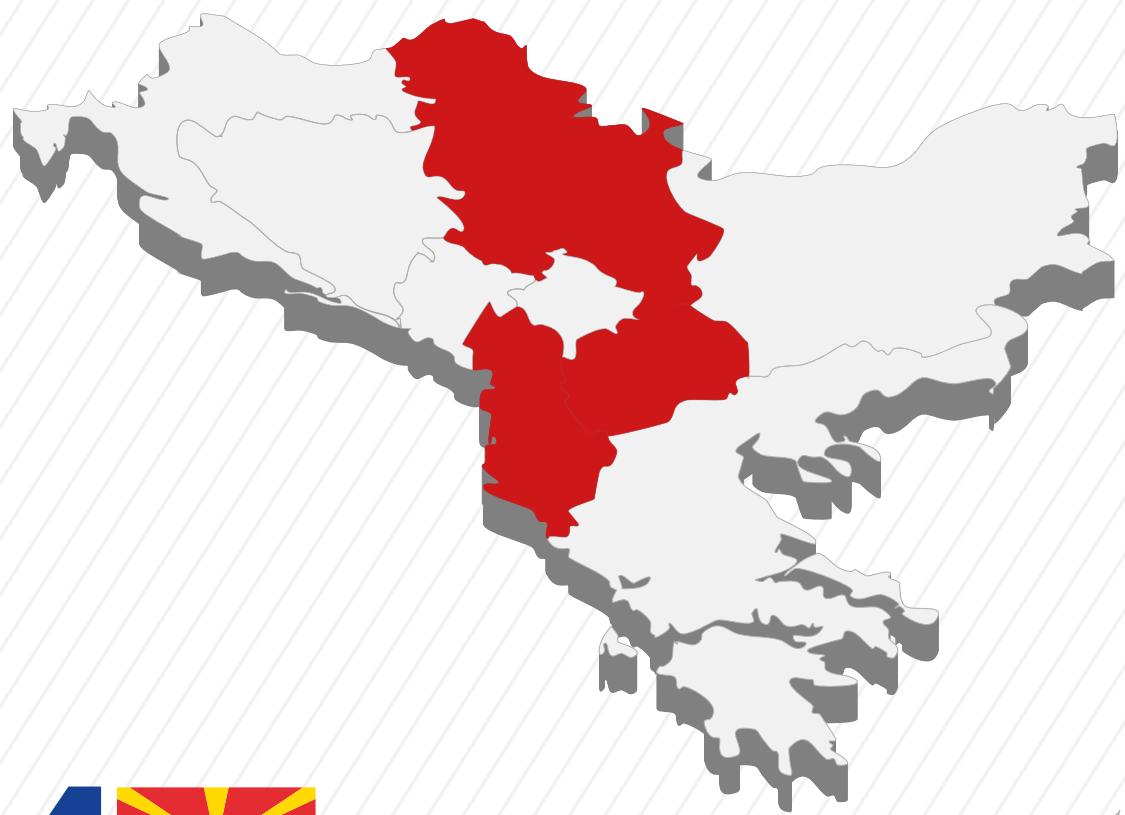


What are the benefits of economic Integration for North Macedonia



Policy paper

What are the benefits of economic integration for North Macedonia



Contents

| | |
|---|----|
| 1. Introduction | 7 |
| 1.1. Regional cooperation of Western Balkan countries..... | 8 |
| 2. Political Context Of Regional Cooperation..... | 8 |
| 2.1 Relations EU-Western Balkans | 9 |
| 2.2 Role Of The European Parliamen..... | 10 |
| 3. Economic Context Of Regional Cooperation | 11 |
| 3.1. Trade Cooperation Eu-Western Balkans | 12 |
| 4. Regional Economic Integration Of The Balkans: | |
| History And Dynamics Of The Process | 13 |
| 4.1. Current Economic Integration Initiatives Of The Balkan Countries | 13 |
| Regional Economic Area (REA) and why Western Balkans needs REA | 15 |
| Multiannual Action Plan for Regional Economic Area of Western Balkans - MAP REA..... | 16 |
| “Mini – Schengen” | 18 |
| Common regional market – Evaluation of MAP REA in the CRM..... | 20 |
| Level of preparedness of the Western Balkan countries to implement MAP REA..... | 23 |
| 5. The Trajectory Of North Macedonia In Regional Initiatives | 25 |
| 6. Concluding Remarks – Challenges..... | 29 |
| 7. Conclusions And Recommendations | 31 |

1. Introduction

1.1. Regional cooperation of Western Balkan countries

Regional cooperation is a principle of utmost importance for political stability, security and economic development of the Western Balkan countries: Albania, Bosnia and Herzegovina, the Republic of North Macedonia, Serbia, Montenegro and Kosovo. Many of the challenges faced by the Western Balkan States are not exclusive but rather have a cross-border dimension that involves the regional neighbours.

The commitment of the Western Balkan countries for regional cooperation is part of the enlargement conditions as specified in the Stabilisation and Association Agreement (SAA) concluded with all countries. The Stabilisation and Association Process (SAp) implies strengthening the relations between the States and refers to free trade, development of transport, energy, infrastructure, technology etc. As one of the essential elements of the SAp, regional cooperation is assessed in the annual reports of the European Commission.

In economic terms, regional cooperation between the Western Balkan countries is an instrument for improving the business climate, attracting foreign investments, and supporting the boost of national direct investments which constitutes the basis for increasing employment thereby the welfare of the citizens in the region.

Nevertheless, bearing in mind the past, the most significant aspect of regional cooperation of the Western Balkan countries is that in the sphere of security. Fully aware of the fact that long-term stability and transformation of the Western Balkans region can best be achieved through economic growth and enhanced regional cooperation, the European Union (EU) launched the so-called “Berlin Process”¹ in 2014. The Berlin Process is one of the latest initiatives that additionally stimulated regional cooperation via the “Western Balkans Six” format. The Berlin Process united the leaders of the Western Balkans with several EU Member-States² on annual summits³.



This policy brief reviews firstly the political dimension of regional cooperation, especially in terms of EU-Western Balkans, and secondly, the economic dimension of regional cooperation. The current initiatives on economic integration of the Western Balkan countries will be presented throwing a light of the status and predicament of the Republic of North Macedonia in these efforts. Finally, the key risks and threats that could affect the region will be analyzed and recommendations will be given for overcoming these issues.

2. Political Context Of Regional Cooperation

Regional cooperation of the Western Balkans is key for stability, a catalyst for reconciliation, good-neighbourly relations and strong political ties for overcoming nationalism and non-tolerance, including the promotion of mutual understanding and political dialogue in the region. Apart from the above-listed, the cooperation between the countries brings about various practical benefits⁴:

- Higher level of inter-regional flows of goods and services,
- Increased competitiveness of the relatively small economies, and
- Greater attractiveness of the region as an investment destination.

In addition, the cooperation of the Western Balkan countries is important for regional economic integration between neighbouring countries, on the one hand, as well as rapprochement of their Euro-Atlantic integration⁵, on the other hand. Consequently, all regional organisations and initiatives strive towards harmonizing their agendas and EU integration policies that treats regional cooperation as one of the key benchmarks for the Western Balkans in the EU integration process.

1. European Parliamentary-The Western Balkans' Berlin process: A new impulse for regional cooperation: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/586602/EPRS_BRI\(2016\)586602_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/586602/EPRS_BRI(2016)586602_EN.pdf)
2. Germany, Austria, France, Italy, Slovenia and Croatia.
3. Six (6) annual summits took place: 2014-Berlin, 2015-Vienna, 2016-Paris, 2017-Trieste, 2018 -London and 2019-Poznan.
4. Oleg Levitin and Peter Sanfey: Regional cooperation in the Western Balkans, EBRD, 2018
5. The Western Balkan countries are involved in various forms of cooperation with NATO (especially Albania, Montenegro and North Macedonia that are full members, as well as Croatia that is closely integrated in the region). The NATO Alliance is an important source of stability in the region. European Commission: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52000DC0049&from=DE>
6. European Commission: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52000DC0049&from=DE>
7. https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/glossary/stabilisation-and-association-process_en
8. https://www.europarl.europa.eu/enlargement/ec/cop_en.htm
9. https://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/en/misc/76291.pdf
10. https://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/en/gena/76201.pdf

2.1. Relations EU-Western Balkans

The conditions for establishing contractual relations between the EU and the Western Balkan countries were determined in the Council Conclusions from April 1997⁶ for the very first time. The Council launched the SAp⁷. SAp is an EU political strategy for integrating the Western Balkan countries. The EU Council however confirmed that the Western Balkan countries will become eligible for EU membership once they fulfill the criteria defined by the European Council in Copenhagen from June 1993⁸. Regional cooperation of the Western Balkan countries is key element of the SAp.

In 2003, the European Council in Thessaloniki, Greece, adopted the Thessaloniki Declaration⁹ and the Thessaloniki Agenda for the Western Balkans: movements towards European integration¹⁰. These documents were adopted on EU-Western Balkan Summit from 21st June 2003 in Thessaloniki and the EU demonstrated its determination to secure full-scale and efficient support for the Western Balkans¹¹. The European Council in December 2006¹² confirmed the need for putting in place fair and rigorous conditions in line with the political criteria from Copenhagen, the Stabilisation and Association Process and the renewed consensus for EU Enlargement.

Key dates in the relations between the Western Balkan countries and the EU:

- Concluded Stabilization and Association Agreements:



- December 2005 – Republic of North Macedonia acquired the status of candidate country for EU membership¹³
- June 2012 – Montenegro opened EU membership negotiations¹⁴
- June 2014 – Albania acquired the status of candidate country for EU membership¹⁵
- January 2014 – Serbia opened EU membership negotiations¹⁶

11. Brussels European Council 14/15 December 2006 presidency conclusions: https://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/92202.pdf
 13. EU relations with Country-North Macedonia: https://eeas.europa.eu/headquarters/headquarters-homepage/1457/former-yugoslav-republic-macedonia-and-eu_en
 14. EU relations with Country-Montenegro: https://eeas.europa.eu/headquarters/headquarters-homepage/27529/montenegro-and-eu_en
 15. EU relations with Country-Albania: https://eeas.europa.eu/headquarters/headquarters-homepage/6953/albania-and-eu_en
 16. EU relations with Country-Serbia: https://eeas.europa.eu/headquarters/headquarters-homepage/27547-serbia-and-eu_en

2.2 Role Of The European Parliament

The European Parliament is fully involved in the SAp, and its consent was required for concluding all SAAs (Article 218 (6) of the Treaty on the Functioning of the EU)¹⁷. In addition, the Parliament must give its consent for every new EU membership (Article 49). Through its budgetary authority, the Parliament can directly influence the amount allocated to the Instrument for Pre-accession Assistance. In June 2020, following the EU-Western Balkan Summit in Zagreb, the Parliament adopted a set of recommendations for the Western Balkans¹⁸. The Parliament has regular bilateral relations with the parliaments of the Western Balkan countries through its delegations that discuss relevant issues of the SAp and EU accession process and meet – in average – twice per annum.



17. Treaty on the Functioning of the European Union - <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A12012E%2FTXT>
18. ZAGREB DECLARATION, 6 MAY 2020: [HTTPS://WWW.CONSILIUM.EUROPA.EU/EN/PRESS/PRESS-RELEASES/2020/05/06/ZAGREB-DECLARATION-6-MAY-2020/](https://WWW.CONSILIUM.EUROPA.EU/EN/PRESS/PRESS-RELEASES/2020/05/06/ZAGREB-DECLARATION-6-MAY-2020/)

3. Economic Context Of Regional Cooperation

Regional cooperation is essential for increasing prosperity and economic growth. Economic development is the key issue if the Western Balkan countries want to achieve better and faster progress in the European integration process. In many areas such as: trade, energy, and transport – due to the limited size of each Western Balkan country and the fragmentation of the economic area in the region – intensive regional cooperation is the best way to progress.

One of the most sensitive issues faced by every Western Balkan country is how to develop a sustainable growth model that will enable employment and prosperity in the long run¹⁹. From the viewpoint of growth of the Gross Domestic Product (GDP), the economies of the Western Balkan countries achieve growth (in average from 3%-4% per annum in the period 2016-2019 – Table 1). 2020 is an exception and due to the crisis caused by the COVID-19 pandemic, the growth in all six economies was negative.

Table 1: Annual GDP growth (%)

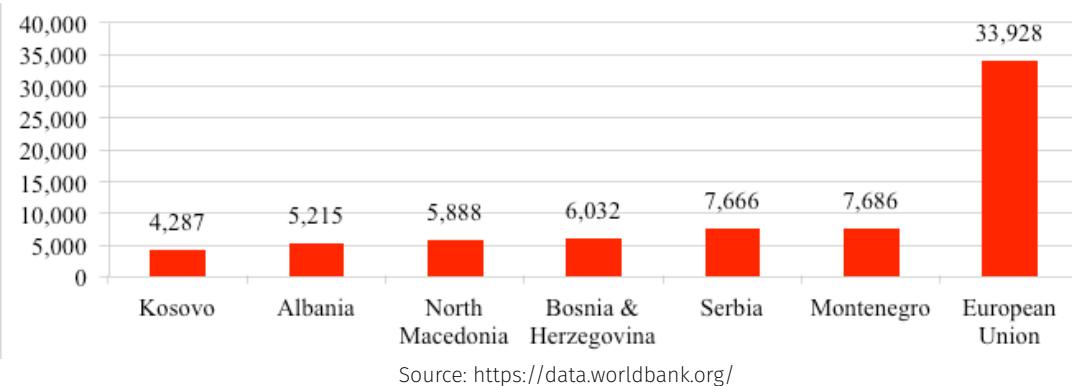
| | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------|------|------|------|------|-------|
| Albania | 3,4 | 3,8 | 4,0 | 2,1 | -3,3 |
| Bosnia and Herzegovina | 3,2 | 3,1 | 3,7 | 2,8 | -4,3 |
| Republic of North Macedonia | 2,8 | 1,0 | 2,9 | 3,2 | -4,5 |
| Kosovo | 4,1 | 4,2 | 3,8 | 4,9 | -6,9 |
| Montenegro | 3,0 | 4,7 | 5,0 | 4,0 | -15,2 |
| Serbia | 3,3 | 2,1 | 4,5 | 4,2 | -1,0 |

Source: <https://data.worldbank.org/>

With the exception of 2020, the growth of GDP is far below the level noted prior to the global crisis from 2008-2009 and insufficient to achieve significant move towards the standard of living between the region and the EU. In that context is the data on relatively low levels of GDP per capita compared to the EU average (Graph 1)²⁰.

19. Oleg Levitin and Peter Sanfey: Regional Cooperation in the Western Balkans, EBRD, 2018
20. World Bank.

Graph 1: GDP per capita in 2020 in US\$



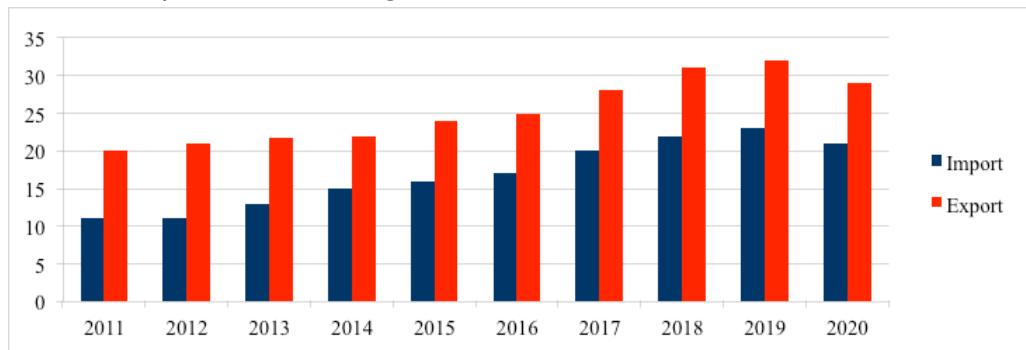
The rapprochement of the standard of living between the region and the EU will depend on the pace of overcoming challenges that are holding back the region from utilizing its full potential²¹. One of the main factors for growth of the economies in the region could be greater economic cooperation between the Western Balkan countries.

3.1 Trade Cooperation Eu-Western Balkans

In all Western Balkan countries, EU is the leading trading partner with almost 70% of the total trade exchange in the region. On the other hand, the share of the region in the total trade of the EU is only 1,4%²².

The EU trade with the Western Balkan countries increased for almost 130% in the period 2010-2019, and the total trade exchange between the EU and Western Balkans reached 55 billion Euros in 2019. This trading expansion was in favour of the Western Balkan countries, bearing in mind that in the last ten years, the Western Balkan countries increased their export in the EU by 207%, while the export of the EU in these countries increased by 94% (Graph 2).

Graph 2: Trade exchange EU-Western Balkans (in billions of Euros)



Source: European Commission - <https://ec.europa.eu/>

21. PETER SANFEY, JAKOV MILATOVIC AND ANA KRESIC, „HOW THE WESTERN BALKANS CAN CATCH UP”, EBRD - [HTTPS://WWW.EBRD.COM/NEWS/2016/HOW-THE-WESTERN-BALKANS-CAN-CATCH-UP.HTML](https://WWW.EBRD.COM/NEWS/2016/HOW-THE-WESTERN-BALKANS-CAN-CATCH-UP.HTML)

22. Western Balkans-Trade picture: <https://ec.europa.eu/trade/policy/countries-and-regions/regions/western-balkans/>

Economic integration can reduce the trading costs thus improving accessibility and choice of goods and services in the economy and lead to greater purchase power of the citizens. For example, economic integration can facilitate acquiring knowledge about the goods, technologies, and business relations of companies in other countries thereby increasing productivity. Therefore, economic integration leads to a faster and sustainable growth model²³.

Regional cooperation of the Western Balkan countries is the basis for growth and development of the region because it includes several benefits such as:

- Expanding markets;
- More efficient allocation of resources throughout the region;
- Increasing investments;
- Integrating labour markets.

4. Regional Economic Integration Of The Balkans: History And Dynamics Of The Process

In the middle of 1991, the collapse of the Socialist Federative Republic of Yugoslavia (SFRY) was accompanied by political and economic instability in the region. Apart from the military conflicts²⁴, the countries from the former SFRY noted a sharp GDP reduction and hyperinflation in the beginning of the 1990-ies. As a response to these events, in 1996 the European Commission announced its Regional Approach for the Western Balkans intended to promote economic reconstruction, democracy and regional cooperation to support the Dayton Peace Accord²⁵. The following dates can be stressed as most important for regional economic integration of the Western Balkan countries:

- 1997 – regional cooperation and respect for international obligations were added onto the list of conditions for Western Balkan countries to fulfill in order to intensify their relations with the EU;

23. WESTERN BALKANS: Regional Economic Integration Issues Notes: World Bank Group, 2017 -<https://documents1.worldbank.org/curated/en/521241498836042507/pdf/Western-Balkans-Regional-economic-integration-issues-notes.pdf>

24. Slovenia (1991), Croatia (1991-1992) and Bosnia and Herzegovina (1992-1995)

25. <https://www.osce.org/bih/126173>

- 1999 – the SAf was established as the long-term strategy of the EU for the Western Balkans. The Process relies on regional cooperation between the Balkan countries as the basic prerequisite for accomplishing stability and economic recovery;
- 2001 – Memorandum of Understanding on trade liberalization was signed in Brussels by the ministers of foreign trade of the eight South-East European countries (Albania, Romania, Bulgaria, Croatia, Bosnia and Herzegovina, Serbia and Montenegro, Republic of North Macedonia and Moldova)²⁶. The Memorandum led to the signing of bilateral free trade agreements providing for progressive removal of all trade barriers;
- 2006 – the Central-European Free Trade Agreement (CEFTA) was signed in Bucharest. In order to harmonize trade regulations, the bilateral free trade agreements were transformed into a multi-lateral agreement enabling full trade liberalization of industrial and agricultural products;
- 2008 – the Regional Cooperation Council was officially established on the meeting of the external affairs ministers within the framework of the South-East European Cooperation Process (SEECP), that took place in Sofia. The Council was setup for the purpose of promoting and enhancing European and Euro-Atlantic integration of the countries in the region. The Council is focused on the establishment and continuous improvement of the cooperation between the countries in the region, dealing with the challenges and addressing the needs of the region in economic and social development, energy and infrastructure, justice and rule of law, security, mobility, improving connectivity and strengthening competitiveness of the region, including building institutional and human capacities,²⁷
- 2014 – the EU launched the so-called “Berlin Process”²⁸. The Berlin Process is one of the latest initiatives that additionally boosted regional cooperation through the format “Western Balkan Six”. The Berlin Process united the leaders of the Western Balkan countries with several EU Member-States²⁹ on annual summits³⁰;
- 2017 – The Regional Cooperation Council presented the Multi-annual action plan for the regional economic area - MAP REA). MAP REA was approved by the Western Balkan leaders on the Trieste Summit of the Berlin Process 12th July 2017³¹. MAP REA is intended to facilitate smooth flow of goods, services, capital and qualified workforce throughout the Western Balkans in four components: trade, investments, mobility and digital integration (more details on MAP REA in part 4.1.);

26. Ljiljana Pjerotić-Trade Liberalization in the South East Europe – Effects and Controversial Issues: <http://www.doiserbia.nb.rs/img/doi/1452-595X/2008/1452-595X0804497P.pdf>

27. Regional Cooperation Council <https://www.rcc.int/>

28. European Parliamentary-The Western Balkans' Berlin process: A new impulse for regional cooperation: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/586602/EPRS_BRI\(2016\)586602_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/586602/EPRS_BRI(2016)586602_EN.pdf)

29. Germany , Austria, France, Italy, Slovenia and Croatia

30. Six (6) annual summits were held: 2014-Berlin, 2015-Vienna, 2016-Paris, 2017-Trieste, 2018-London and 2019-Poznan.

31. Regional Cooperation Council: https://www.rcc.int/priority_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map

32. Regional Cooperation Council: <https://www.rcc.int/pages/143/common-regional-market>

- 2019 – Albania, Republic of North Macedonia and Serbia initiated the so-called “Mini-Schengen” to further boost mutual economic integration through free movement of people, goods, services and capital (more details on this initiative in part 4.1.);
- 2020 – The Regional Cooperation Council presented the Common Regional Market (CRM)³² as a regional initiative for the purpose of creating regional market based on European rules and procedures and rapprochement of the region with the single market of the EU;
- 2021 – the regional initiative between the Republic of North Macedonia, Albania and Serbia, known as “Mini-Schengen” acquired a new name – Open Balkan. In order to facilitate trade, movement of citizens and economic development, three Memoranda were signed on cooperation for facilitation of import, export and movement of goods on the Western Balkans, for free access to the labour market of the Western Balkans and the Co-operation Agreement for Protection of Catastrophe on the Western Balkans.

4.1 Current Economic Integration Initiatives Of The Balkan Countries

Regional Economic Area (REA) and why Western Balkans needs REA

The purpose of the Regional Economic Area (REA) of the Western Balkan is the development of the region where the goods, services, investments and qualified workers can move freely without any obstacles.

Why do the Western Balkan countries need REA?

- Through REA, the Western Balkan countries further the cooperation in four areas, those being:
- Trade exchange – successful implementation of additional CEFTA protocols for trade facilitation,
- Investments – exchange of information and best practices of investment policies and identifying policies that could be harmonized,
- Mobility – recognition of professional qualifications and removal of barriers for mobility of students, researchers, and academics,
- Digitalization – roaming, cyber security and development of digital skills in the region.

33. European Commission: https://ec.europa.eu/commission/presscorner/detail/en/MEMO_17_1967
 34. European Commission: https://ec.europa.eu/commission/presscorner/detail/hr/MEMO_17_1967

Enhancing cooperation in these four areas makes the market accessible to potential investors in the region: access to approximately 20 million consumers and increased economic attractiveness of the Western Balkans by utilizing the advantages of trade relations of the Western Balkan countries with the EU³³. The purpose of REA is not to present an alternative for EU integration, but to assist the EU accession process. For that reason, the European Commission supported the ambitions of the Western Balkan countries for accomplishing deeper regional economic integration³⁴. In fact, the deepening of the economic integration in the region is based on European rules and principles therefore such an approach secures integration both in the region and within the EU. Hence, this initiative is an important game changer for the preparation of EU accession. The REA concept is put into work through a Multiannual Action Plan (MAP REA – more details in part B), approved by the Western Balkan leaders on the Summit in Trieste 12th July 2017. Although only 4 years passed since the launch of REA, the Western Balkan countries did manage to achieve several visible results (More details in part 4.1-D).

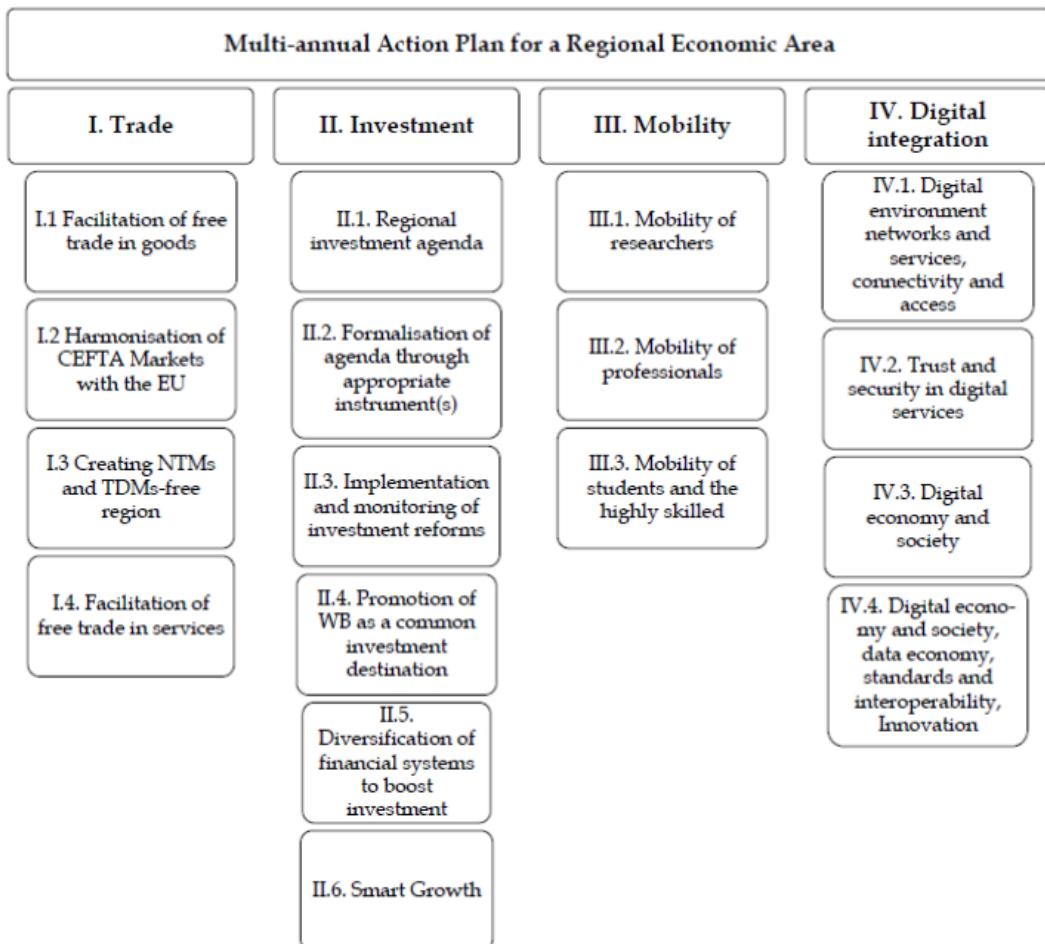
Multiannual Action Plan for Regional Economic Area of Western Balkans - MAP REA

The Multiannual Action Plan for Regional Economic Area of the Western Balkans was approved by the Western Balkan leaders on the Summit within the framework of the Berlin Process that took place in Trieste 12th July 2017³⁵. The initiative was developed by the Regional Cooperation Council upon the request of the six Western Balkan countries for further enhancement of economic cooperation and supported by the European Commission. The goal of MAP REA is to enable smooth flow of goods, services, capital and qualified labour throughout the Western Balkans in four components: I. Trade, II. Investments, III. Mobility and IV. Digital integration.

I. Regarding Trade, the Western Balkan countries agreed to mobilize their efforts for successful implementation of the additional CEFTA protocols.

II. In terms of investments, the countries agreed to establish a regional investment agenda that will include exchange of information and best practice investment policies and identify policies that could be harmonized. The countries also agreed to stimulate private sector development as to maximize the REA benefits for the local economies.

³⁵ Regional Cooperation Council: https://www.rcc.int/priority_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map



Source: Regional Cooperation Council - <https://www.rcc.int/files/user/docs/5511a1f61b9f7165f7d539bfd4df5bae.pdf>

III. Concerning mobility, the Western Balkan countries agreed to remove barriers to mobility for professionals by means of regional agreements for mutual recognition of professional qualifications and removal of obstacles for mobility of students, researchers, and academics. Advancing the regional mobility agenda implies cooperation between the economies in the region. Their efforts to define common goals and actions need to be coordinated so that they can be more competitive on national, regional and international level.³⁶

IV. The digital dimension includes roaming and expansion of broadband Internet, cyber security and data protection and focuses on the needs for digital skills in the region.³⁷

36. Regional Cooperation Council: <https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six>

37. More details on the implementation of MAP REA and the future steps can be found on: <https://www.rcc.int/priori>

“Mini – Schengen”

10th October 2019³⁸ in Novi Sad, Serbia, a new parallel process was initiated and the Serbian President, Aleksandar Vucic, the Albanian Prime-Minister Edi Rama and the Prime-Minister of the Republic of North Macedonia, Zoran Zaev, announced the “Mini-Schengen” for the purpose of establishing free movement of people, goods, services, and capital in the Western Balkans by using Identity Cards only. The initiative was supported by the Special Representative for Western Balkans and the American Ambassador for Germany, Richard Grenell who called upon Kosovo to make this initiative successful. Additional meetings took place 10th November 2019 in Ohrid, Republic of North Macedonia and 21st December 2019 in Tirana, Albania.

The following steps have been undertaken within the framework of “Mini-Schengen”:

- Memorandum of free movement of people using identity cards only and harmonizing procedures for issuing work permits for all citizens of the Western Balkan countries³⁹,
- 24-hour operation of the phyto-sanitary and veterinary controls at border-crossings⁴⁰,
- Concluding negotiations between the Republic of North Macedonia and Serbia on the construction of a new border-crossing Lojane-Miratovac⁴¹,
- The Agreement between the Customs Administrations of the Republic of North Macedonia and Albania on one-stop-shop on the border-crossing Kafasan⁴², and with Serbia on the border-crossing Tabanovce⁴³ to make them border-crossings with no stops,
- Introducing a paper-free system for simplifying customs procedures.

36. Regional Cooperation Council: <https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six>
37. More details on the implementation of MAP REA and the future steps can be found on: https://www.rcc.int/priority_areas/39/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans--map
38. <https://europeanwesternbalkans.com/2021/07/29/mini-schengen-renamed-open-balkan-vucic-rama-and-zaev-sign-three-documents/>
39. <https://vlada.mk/node/19217> - Common declaration of the President of the Republic of Serbia, the Prime-Minister of the Republic of Albania, and the President of the Government of the Republic of North Macedonia.
40. <https://vlada.mk/node/19852?ln=mk>
41. <http://www.kt.gov.rs/en/news/news-archive/mr.-stefanovic-and-mr.-spasovski-signed-an-agreement-on-the-miratovac-lojane-crossing/>
42. <https://economy.gov.mk/vest/524>
43. <https://www.srbija.gov.rs/vest/en/142914/faster-flow-of-people-goods-between-serbia-north-macedonia.php>
44. <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-president-vucic-serbia-prime-minister-hoti-kosovo-trilateral-meeting/>
45. <https://europeanwesternbalkans.com/2020/10/30/vucic-zaev-and-rama-held-a-video-meeting-on-mini-schengen/>

4th September 2020, on the White House Summit in Washington, Kosovo and Serbia signed agreements on economic normalization. With the agreement, Kosovo agreed to become party to “Mini-Schengen” and to implement agreements for a motorway, railway connections, and flight routes with Serbia⁴⁴. Once the “Mini-Schengen” meetings were postponed due to the COVID-19 pandemic, the initiative was renewed 30th October 2020 when the three leaders of Serbia, Albania and the Republic of North Macedonia held a video-meeting⁴⁵ agreeing that the initiative was fully in compliance with the Berlin Process. They also agreed to establish a working group with governmental officials from each of the participating countries in order to facilitate the process of signing and implementing agreed activities.

9th November 2020, in the course of an online summit of the initiative “Mini-Schengen”, the leaders of Serbia, Albania and the Republic of North Macedonia signed a Memorandum of Understanding in the fight against COVID-19 and enabling border-crossing with identity cards. In addition, the citizens from the three countries were provided with the possibility of free of charge treatment in any of the three countries if suffering from COVID-19⁴⁶.

Unlike previous regional initiatives that included all six countries from the very beginning, there was no consensus for “Mini-Schengen”. The other Western Balkan countries (Kosovo, Montenegro and Bosnia and Herzegovina) rejected the “Mini-Schengen” initiative. Kosovo proposed advancing regional cooperation by concluding trade agreements with the EU⁴⁷. Montenegro also rejected the initiative rationalizing that the country is already open for trade for the countries from the region⁴⁸. Bosnia and Herzegovina participated on the meetings but elaborated that its focus was EU membership.

July 2021, on the meeting that took place in Skopje, Republic of North Macedonia, the regional initiative between the Republic of North Macedonia, Albania and Serbia called “Mini-Schengen” acquired a new name – Open Balkan. To facilitate trade, movement of citizens and economic development, three agreements were signed⁴⁹:

- Cooperation in cases of Disasters;
- Free access to the labour market in the region; and
- Facilitation of free movement of goods.

Apart from signing the Cooperation Agreement in cases of Disasters and the Memorandum on Facilitation of Free Movement of Goods, the most significant proposal stemming from the Open Balkan initiative is

46. <https://balkans.aljazeera.net/news/balkan/2020/11/9/mini-schengen-potpisani-sporazumi-o-lacionim-kartama-i-covid-19>

47. <https://exit.al/en/2021/07/29/kosovo-dismisses-visionless-mini-schengen-urges-for-trade-deal-with-the-eu/>

48. <https://balkaninsight.com/2019/11/12/montenegro-rejects-balkan-mini-schengen-proposal/>

49. Government of RNM: <https://vlada.mk/node/26061?ln=mk>

the creation of free access to the labour market in the region. If implemented, this proposal will enable the citizens from all three countries to find employment opportunities throughout the entire region under the same circumstance as the domestic subjects. Due to the fact that only Albania has an appropriate legal framework, a Memorandum of Understanding was signed between Serbia and the Republic of North Macedonia to undertake the necessary amendments of the legal frameworks. An Intergovernmental Agreement marking the implementation of the free access to the regional labour market is expected to be signed in Belgrade in the beginning of November on the upcoming meeting of the Open Balkan countries. The announced recognition of qualifications will help the companies find appropriate human resources⁵⁰. According to the initiative, fully free cross-border flow of citizens from the three countries is expected in 2023.⁵¹

Common regional market – Evaluation of MAP REA in the CRM

The goal of the Common Regional Market (CRM) is to create a regional market based on EU rules and procedures and to bring the Western Balkan countries closer to European Single Market. The Action Plan for establishing the Common Regional Market 2021-2024 was adopted by the Western Balkan leaders of Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia on the Berlin Process Summit that took place 10th November 2020 in Sofia.⁵²

The new Action Plan on Common Regional Market that should be implemented until the end of 2024 includes activities in four key areas (Table 2)⁵³.

In actual fact, the initiative Common Regional Market builds onto the accomplishments and lessons learnt from REA, i.e., the results achieved from the implementation of MAP REA⁵⁴. Each national body of the Western Balkan countries have assigned national coordinators to monitor and report on the implementation of MAP REA. Other institutions participants in the monitoring process are also the ministries of trade, investments, education, research/science and innovation and digital economy, central banks, border and customs administrations, competition bodies, securities commissions, stock exchanges, electronic communication regulatory offices and the national statis-

50. European Policy Center: <https://cep.org.rs/en/blogs/open-balkan-initiative/>

51. <https://balkaninsight.com/2021/07/29/balkan-mini-schengen-leaders-eye-open-borders-by-2023/>

52. European Western Balkans, "EC: The next meeting within the Berlin Process on November 10 in Sofia", 18 September 2020, at <https://europeanwesternbalkans.com/2020/09/18/ec-the-next-meeting-within-the-berlin-process-on-november-10-in-sofia/>).

53. Common Regional Market Action Plan, 9 November 2020, at <https://www.rcc.int/docs/543/common-regional-market-actionplan>

54. "Bregu: Common Regional Market Is the Way Forward", 15 October 2020, at <https://www.rcc.int/news/650/bregu-common-regional-market-is-the-way-forward>

Table 2: Cooperation Areas of the CRM

| Trade | Investments | Digital Component | Mobility |
|--|---|---|---|
| Free movement of goods, services, capital and people | Harmonizing investment policies with EU standards and the best international practices and promoting the region to foreign investors. | Includes roaming and allocation of broadband Internet, cyber security and data protection thereby meeting the needs for digital skills in the region. | Removal of barriers to mobility of professionals, through regional contracts for mutual recognition of professional qualifications and removing the obstacles to mobility of students, researchers and academics. |

Source: Regional Cooperation Council: Common Regional Market Action Plan, 9 November 2020, <https://www.rcc.int/docs/543/common-regional-market-actionplan>

tical offices⁵⁵. In addition, there are also contact-points (coordinators for each country) who report on the progress made in each of the components of MAP (trade, investments, mobility and digital component).

As an addition to the internal monitoring facility of MAP REA, persons were appointed for each of the components by the secretariats of the Regional Cooperation Council and CEFTA as well as by the European Commission. The role of the Regional Cooperation Council is to coordinate the implementation of MAP REA together with the CEFTA Secretariat and monitor the MAP REA implementation process. MAP REA, as the first regional framework for mid-term economic cooperation and integration approved by the highest level, generated specific results and brought about noticeable success that the region can be proud of⁵⁶. The annual MAP REA reports are developed by the secretariats of the Regional Cooperation Council and CEFTA and they stress the key regional events on the level of each economy. The reports provide an outlook of the progress made in every component, recommending the next steps and results. The progress made in MAP REA is regularly analyzed on the Western Balkan Summits and the meetings of the ministries of economy as part of the Berlin Process.

- 55. Methodology on monitoring and reporting on the Multi-annual Action Plan for a Regional Economic Area in the Western Balkans (MAP), 2 July 2019, at <https://www.rcc.int/docs/473/methodology-on-monitoring-and-reporting-on-the-multi-annualaction-plan-for-a-regional-economic-area-in-the-western-balkans-map>
- 56. MAP REA report 2019_FINAL.pdf
- 57. For the full text of the Regional Roaming Agreement, see <https://www.rcc.int/docs/476/regional-roaming-agreement-for-the-western-balkans>)
- 58. declaration-recognition-academic-qualifications-western-balkans.pdf (europa.eu)

The MAP REA Agenda encountered several challenges and risks due to the different phases of the EU integration process. The results and challenges are unequal throughout the entire region because each country was in a different phase of EU integration as well as lack of special technical assistance and financial instruments to support the implementation of some parts of the measures⁶⁰.

Table 3: Key results following the implementation of REA

| Digital component | Mobility |
|--|--|
| ✓ Western Balkan Roaming Agreement signed in order to introduce the regime as from home from 1 July 2021 and implementation started ⁵⁷ | ✓ Agreement reached for opening negotiations on mutual recognition of professional qualifications |
| ✓ High Level Regional Dialogue on digital transformation of Western Balkans took place – successful organisation of three digital summits (Skopje, Belgrade, and Pristina) | ✓ Approved principles on the model of automatic recognition of academic qualifications |
| ✓ Regional discussion on recognition of confidential services started | ✓ Developed common IT system for recognition of academic qualifications directed towards facilitating recognition of academic qualifications |
| ✓ Increased number of projects on broadband Internet for digital infrastructure | ✓ Approved Declaration on recognition of academic qualifications that establishes common standards and procedures for automatic acknowledgement of quality academic qualifications |
| ✓ The annual ICT dialogue EU-Western Balkans started | |
| Trade | Investments |
| ✓ The Additional Protocol on Trade Facilitation went into effect | ✓ The Additional Protocol on Trade Facilitation went into effect |
| ✓ Decision on mutual recognition of authorized economic operator programme agreed | ✓ Online investment platform for joint promotion of regional investments opened |
| ✓ The additional protocol on trade liberalization of services agreed | ✓ Programme for regional promotion of investments developed |
| ✓ The additional protocol on trade liberalization of services agreed | ✓ Preparations for the regional programme for diversification of financial markets started |
| | ✓ Individual reform action plans |

Source: Regional Cooperation Council - <https://www.rcc.int/>

59 Protocol_on_Trade_in_Services_-_2012_-_English.pdf (sadc.int)

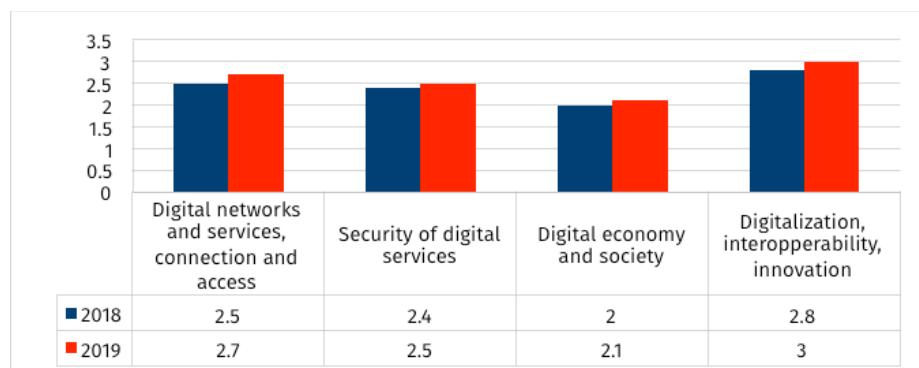
60 Annual Report on Implementation of the Multi-annual Action Plan for a Regional Economic Area in Western Balkans, July 2019

Level of preparedness of the Western Balkan countries to implement MAP REA

The graphs below illustrate the level of preparedness to implement each component of MAP REA by the Western Balkan countries, in compliance with the Methodology on Monitoring and Reporting of the Regional Cooperation Council⁶¹. The points assigned evaluate the level of preparedness for implementing MAP REA in the Western Balkan countries: Early stage (result 1); some level of preparedness (result 2); moderate preparedness (3); good level of preparedness (4) and advanced level (5).

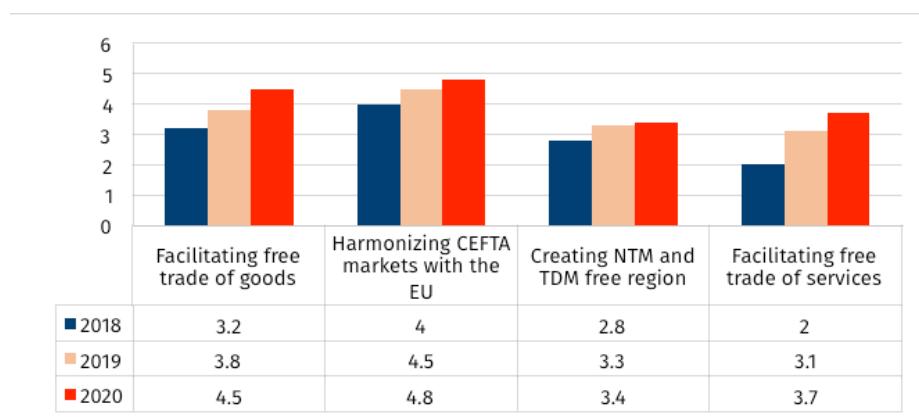
The graphs above indicate that the Western Balkan countries have improved in the level of preparedness for implementation of MAP REA in almost all individual goals within the framework of every component (digital, mobility, trade and investments).

Graph 3: - Level of preparedness for implementing MAP REA (digitilization)



Source: Regional Cooperation Council

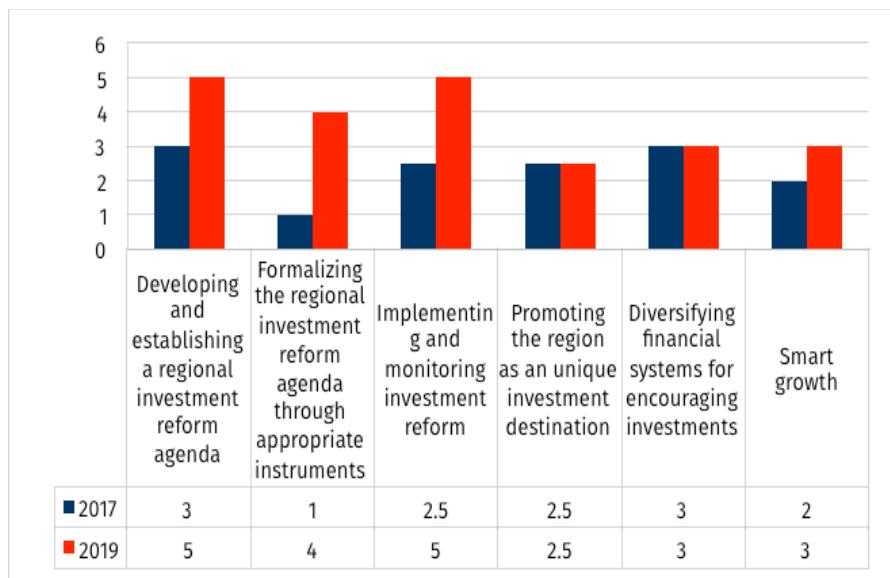
Graph 4: - Level of preparedness for implementation of MAP REA (Trade)



Source: Regional Cooperation Council

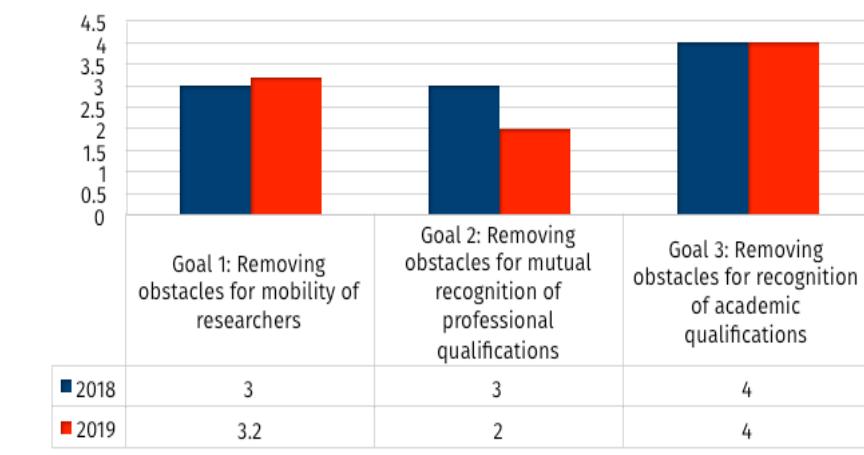
61. Multi-annual Action Plan for a Regional Economic Area (MAP REA) in the Western Balkan-Diagnostic report, December 2020

Graph 5: -Level of preparedness for implementation of MAP REA (Investments)



Source: Regional Cooperation Council

Graph 6 - Level of preparedness for implementation of MAP REA (Mobility)



Source: Regional Cooperation Council

5. The Trajectory Of North Macedonia In Regional Initiatives

The Republic of North Macedonia applied for EU membership in March 2004 and acquired the status EU candidate country in December 2005. The country however was not able to open accession talks for many years, mainly because of the dispute with Greece related to the name issue. This dispute was successfully resolved by means of the “Prespa Agreement”⁶² that went into force in February 2019. Since 2009, the European Commission, with the support of the Parliament, recommended opening accession talks. In June 2018, the Council agreed to possible opening of accession talk with the Republic of North Macedonia in June 2019, provided the required conditions were met. Nevertheless, in June 2019 and in October 2019, opening accession negotiations was not successful. In July 2020, the European Commission presented the draft-negotiations framework to the Member-States considering the revised methodology for enlargement with the Western Balkans. However, accession talks with the Republic of North Macedonia and Albania have still not been opened. This is mainly due to the issue between the Republic of North Macedonia and Bulgaria related to the identity, language, and history⁶³.

European integration and regional cooperation are closely intertwined. EU treats regional cooperation as one of the key benchmarks for the Western Balkans and its EU integration process. The Republic of North Macedonia proves its strategic determination to become an EU Member-State also with the fact that it is actively involved and supports all regional organizations and initiatives striving towards harmonizing the agendas and rapprochement policies towards the EU.

62. The Prespa Agreement between Greece and North Macedonia and the settlement of the name dispute: Of objective regimes, erga omnes obligations and treaty effects on third parties - http://www.qil-qdi.org/wp-content/uploads/2020/01/04_PRESPA_PERGANTIS_FIN.pdf

63. <https://www.euronews.com/2020/12/08/bulgaria-s-block-on-north-macedonia-s-bid-to-join-eu-massively-endangers-europe-s-securit>

Regional initiatives and status of the Republic of North Macedonia

a) Stability Pact

Since the establishment of the Stability Pact (June 1999)⁶⁴, the Republic of North Macedonia was a full and active participant in the three tables of the Stability Pact for the purpose of achieving long-term stabilization by strengthening democratic consolidation, economic prosperity and security.

b) South-East European Cooperation Process (SEECP)⁶⁵

The South-East European Cooperation Process was launched in 1996 in Sofia with the objective to transform South-East Europe into a region of stability, security, and cooperation. These objectives follow European integration trends thereby promoting joint dialogue and cooperation on all levels and in all areas of common interest. SEECP united together Turkey, Albania, Bosnia and Herzegovina, Bulgaria, the Republic of North Macedonia, Romania, Serbia, Greece, Croatia, Moldova and Montenegro for the purpose of improving their mutual cooperation and creating sustainable stability in South-East Europe.

c) Central European Free Trade Agreement (CEFTA)⁶⁶

19th December 2006 in Bucharest, under the leadership of Romania, CEFTA was amended and its membership was expanded with six new members, including the Republic of North Macedonia. The signatories of the free trade agreement CEFTA in 2006 were Albania, Bosnia and Herzegovina, Croatia, the Republic of North Macedonia, Moldova, Montenegro, Serbia and the United Nations (on behalf of Kosovo). Upon EU-membership, Croatia, Romania and Bulgaria left CEFTA.

d) Regional Cooperation Council⁶⁷

The Regional Cooperation Council was officially launched on the meeting of the external affairs ministers of the South-East European Cooperation Process (SEECP) in Sofia on 27th February 2008 as the continuation of the Stability Pact for South-East Europe. Members of the RCC consist of 46 countries, including the Republic of North Macedonia.

64. European Commission: https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/glossary/stability-pact-south-eastern-europe_en

65. <https://www.seecp.info/>

66. <https://cefta.int/>

67. www.rcc.int

5.1. Status in REA components

REA was introduced on the Trieste Summit in 2017 within the framework of the Berlin Process. From the very beginning it proved to be the most dynamic regional initiative bringing together 6 EU Member-States (Austria, France, Germany, Italy, Croatia, and Slovenia) and 6 candidate-countries and potential candidate-countries from the Western Balkans, offering new impetus for EU enlargement perspective of the entire region⁶⁸.

The progress reports of the Western Balkan countries regarding the four key areas of the MAP REA (trade, investments, mobility, and digital dimension) lead to the conclusion that the Republic of North Macedonia has accomplished significant progress⁶⁹.

a) Trade

The Republic of North Macedonia is undertaking continuous measures and activities to facilitate the conditions for free trade of goods and services as activities directed towards harmonizing its markets with those of the EU⁷⁰.

b) Investments

The Republic of North Macedonia is on the right track in implementing investment policy related measures in a prompt manner as provided for in the MAP. The regional investment reform agenda has been developed, reviewed, and approved (joint working group on investments SEEIC-CEFTA, plenary session of SEEIC and the ministerial fora). The working group on regional capital markets is established and it developed a regional programme of activities for the development of capital markets⁷¹.

c) Mobility

The Republic of North Macedonia enhanced its efforts to prioritize and remove obstacles to mobility of researchers. This resulted with quite a progress made in removing barriers to mobility of researchers. The Republic of North Macedonia, as well as the other countries of the Western Balkans, gave priority to mobility of researchers in its strategic framework. As a response to identified obstacles to mobility of researchers, that include financial barriers, grant schemes were created to support mobility of researchers⁷².

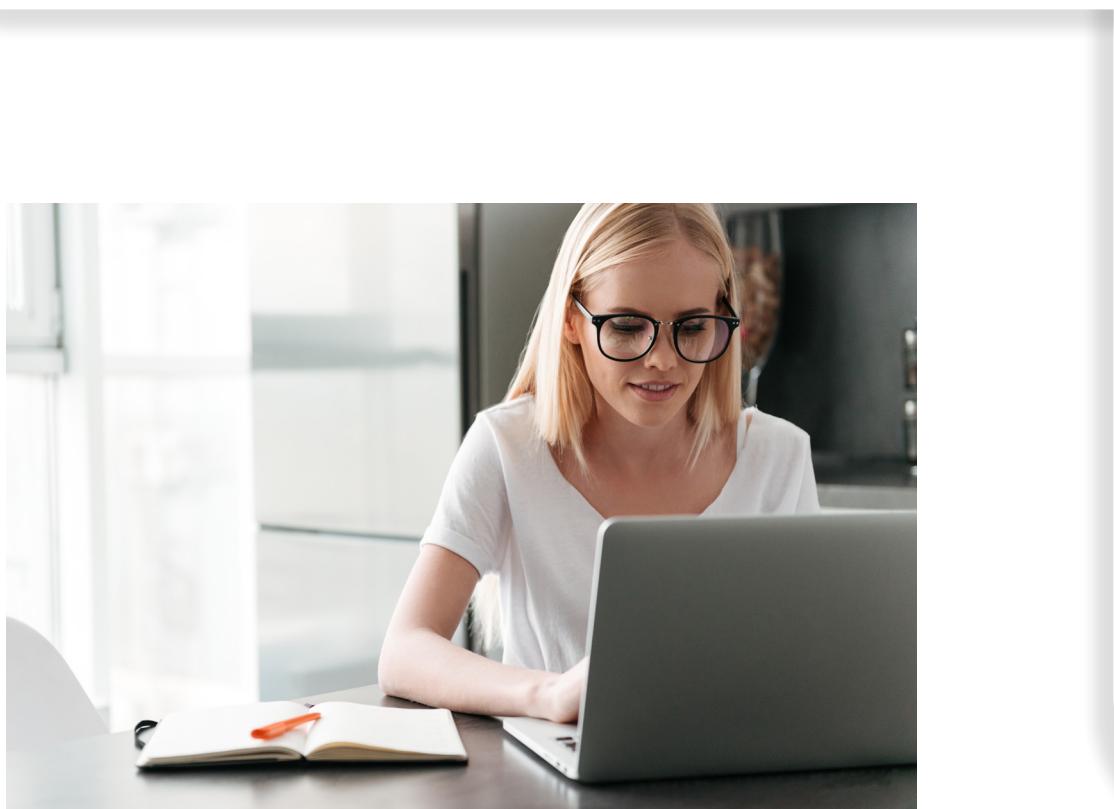
- 68. <https://berlinprocess.info/wp-content/uploads/2018/10/ONE-YEAR-FROM-THE-CONCEPTUALIZATION-OF-REA.pdf>
- 69. <https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020>
- 70. <https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020>
- 71. <https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020>
- 72. <https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020>

d) Digital dimension

In the part devoted to the development of digital infrastructure and regional connectivity, the Republic of North Macedonia has made progress, i.e., it has transposed in its legislation EU Directive on reducing the costs for broadband Internet. The legislation on data protection and piracy is also generally transposed⁷³.

Regarding inclusive digital society, the Republic of North Macedonia implemented basic and advanced IT trainings for unemployed persons. The National Comprehensive Strategy on Education 2018-2025⁷⁴, where one of the priorities is providing wide use of ICT in education, training and digital literacy, and the new Law on Mathematical IT Gymnasium was adopted. In addition, advance IT training was delivered with the support of IPA grants.

The conclusion from the above-noted is that the level of preparedness of the country is quite high when it comes to the implementation of each component within the framework of MAP REA.



73. <https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020>

74. <http://mrk.mk/wp-content/uploads/2018/10/Strategija-za-obrazovanie-MAK-WEB.pdf>

6. Concluding Remarks – Challenges

Inevitably regional cooperation is an important prerequisite in the desire of the six Western Balkan countries to become EU members. Although regional initiatives encourage cooperation and facilitate communication on the Western Balkans, their input in helping the region get closer to the EU or in improving the social, political, and economic environment has been limited up to date. Due to unresolved bilateral disputes, they produced only limited results⁷⁵.

The main challenges faced by the Western Balkan countries in their inclination towards EU integration as their determined strategic choice can be divided into several groups such as:

- Strengthening good neighborly relations and greater commitment for reconciliation and regional stability. One of the main challenges of the Western Balkan countries is resolving conflicts from the past as the main prerequisite for enhanced regional cooperation. Current disputes are:
 - The bilateral dispute between Kosovo and Serbia dominates on the Western Balkans.
 - Bulgaria's blocking the prospect of EU-membership of the Republic of North Macedonia.
- Security-related challenges. Unresolved conflicts and bilateral disputes made mistrust prevail in the region which is sometimes the source of instability and undermines the cooperation and progress made in the regional initiatives. Therefore, one of the main challenges of the Western Balkan countries is exactly securing peace, stability, and security on their territory, which requires coordinated individual and collective actions⁷⁶.
- Corruption and organized crime remain a problem in all Western Balkan countries despite the successful strengthening of relevant legal regulations and the establishment of anti-corruption institutions. The fight against corruption and organized crime has exceptional significance for the political and socio-economic transformation of the region including regional stability and security⁷⁷. Key element for security is dealing with migration challenges, including the fight against smuggling migrants.

75 <https://www.dw.com/en/bulgaria-asks-eu-to-stop-fake-macedonian-identity/a-55020781>

76 Zagreb Declaration: <https://www.consilium.europa.eu/media/43776/zagreb-declaration-en-06052020.pdf>

77 Zenun Halili - Rule of law challenges in the Western Balkans: https://assets.publishing.service.gov.uk/media/5c6c02eaed915d4a39787419/464_Rule_of_Law_in_the_Western_Balkans.pdf

- Challenges related to basic values, democratic principles, rule of law and independence of the Western Balkan countries in the decision-making process. A significant challenge for the Western Balkan countries are the unfinished transitional processes in the area of justice, the Constitutional – or otherwise – embedded solutions that incite illiberal politicization of ethnic communities undermining the independent institution and the decision-making processes therein.
- Economic prosperity, continuation with the reforms for EU membership and further deepening of regional economic integration on the pillars of EU rules and standards. Economic development is key issue if the Western Balkan countries want to achieve better and faster European integration. In addition, as EU candidate-countries, they are obliged to harmonize national legislation with that of the EU. Thus, an important challenge for the Western Balkan countries is in the future to continue to follow and transpose legal regulations and harmonize it with EU acquis in order to get closer to the single market of the EU⁷⁸.



⁷⁸ Cybersecurity in the Western Balkans: Policy gaps and cooperation opportunities- <https://www.diplomacy.edu/sites/default/files/Cybersecurity%20in%20Western%20Balkans.pdf>

7. Conclusions And Recommendations

Regional cooperation is of essential significance for the progress on appropriate European paths of the Western Balkan countries. Many regional integration initiatives of the Western Balkan countries were launched in past years. The numerous regional initiatives aimed at contributing to:

- political stability, good neighborly relations and strong political ties,
- help overcome nationalism and intolerance,
- promote mutual understanding and political dialogue in the region,
- create economic opportunities etc.

Regional cooperation became an instrument for evaluating the Western Balkan countries, not only their way towards EU, but also their own regional economic integration as neighbors. Along with the improved regional cooperation are the efforts for further reconciliation, which is key for strengthening peace and securing sustainable stability in the region. All six Western Balkan countries share EU membership vision and demonstrated readiness and desire for regional cooperation. Nevertheless, unresolved conflicts and bilateral disputes brought about significant and prevailing mistrust in the region which sometimes is the source of instability, undermining cooperation and progress in regional initiatives. The bilateral dispute between Kosovo and Serbia dominated on the Western Balkans. Recently, following the Bulgarian veto of EU accession talks of North Macedonia, new issues seem to have risen.

If such deep mistrust lurks over these six Western Balkan countries, it will be a challenge to accomplish suitable regional economic integration hence EU integration. The Western Balkans will need to work on many fronts, including resolving bilateral issues and improving mutual relations as the main prerequisite for enhancing regional cooperation. In addition, the implementation capacities will need to be improved and regional cooperation raised to a higher level in the political agendas of the governments of the Western Balkan countries.

To avoid the destiny of previous initiatives and to establish long-term ties between the Western Balkan countries, it is important to merge “Mini-Schengen” and REA, including the CRM within one and the same agenda, coordinated by the EU and USA to support a common set of regional agendas.

Integration of old, new and parallel initiatives however, will demand an integrative political approach, first between the EU Member-States, then between EU and the USA, and finally, the EU and USA together with the entire Western Balkans. The governments of Albania, Serbia, the Republic of North Macedonia, Kosovo, Montenegro and Bosnia and Herzegovina should take the initiative and promote their mutual cooperation, while the partners need to support the initiatives that lead to enhanced cohesion and streamline the cooperation.

The following recommendations can lead to overcoming the above-noted challenges:

In terms of Enhancing good neighborly relations and greater commitment for reconciliation and regional stability, main recommendations are:

- Resolving sensitive issues such as dealing with war crime cases, destiny of the kidnapped persons, refugees, and the internally displaced persons⁷⁹,
- Resolving bilateral disputes as a prerequisite for successful and advance regional cooperation and implementing bilateral agreements: It is important to implement the bilateral agreements with good will and visible results, including Prespa Agreement with Greece and Good Neighborly Relations Agreement with Bulgaria. Further determined efforts need to be dedicated to the Agreement on Succession Issues – finding solutions to bilateral disputes and problems between the countries whose root lies in the legacy of the past. For further stabilization of the region, the normalization of the relations Belgrade-Pristina through the EU facilitated Dialogue⁸⁰ is necessary.

Regarding Security challenges, main recommendations are:

- Common approach to prevention and struggle against all forms of radicalization and implementation of the Joint Action Plan Against Terrorism on the Western Balkans
- Undertaking measures against human trafficking, growing plants for the production of drugs, money-laundering and trafficking human beings and drugs.
- Dealing with migration challenges, including migrant trafficking.

Concerning Challenges related to basic values, democratic principles, rule of law and independence of Western Balkan countries in decision-making, main challenges are:

⁷⁹ Communication from the commission to the european parliament, the council, the european economic and social committee and the committee of the regions A credible enlargement perspective for and enhanced EU engagement with the Western Balkans - <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52018DC0065>

⁸⁰ Zagreb Declaration: <https://www.consilium.europa.eu/media/43776/zagreb-declaration-en-06052020.pdf>

- Strengthening media freedom, by preventing political influence, corrupt relations between officials and media outlet owners, close governmental control, non-transparent public spending for media and funding pro-governmental media. Independent and pluralistic media including freedom of expression and protection of journalists plays an important role in the democratization process.
- Including civil society and thematic expert groups on regional cooperation related to national and European agendas supporting the Western Balkan countries.
- Strengthening democracy and rule of law, especially the fight against corruption and organized crime, good governance and respect for human rights, gender equality and ethnic minority rights.

Related to the Economic prosperity challenges, continuing the EU accession reforms and further deepening of regional economic integration on the pillars of the rules and standards of the EU, the main recommendations are:

- Streamlining parallel agendas into one set of regional initiatives and organisations: merge “Mini-Schengen” and REA, including CRM into one agenda with the coordination of the EU and USA for the purpose of supporting a common set of regional agendas.
- Institutional capacity-building to secure better coordination and implementation of regional initiatives and agendas. In addition, significant for bringing closer the Western Balkan countries to the Single European Market is the reform of the public sector. This includes improving quality and accountability of the administration, increasing professionalism, depoliticization and transparency.
- Continuing the process of transformation in market economies that work and are capable of connecting fully with the Single European Market, creating jobs and entrepreneurial opportunities, improving business and investment climate and advancing rule of law. In addition, the process of harmonizing their legislation with that of the EU acquis needs to continue.
- Bringing the region closer to EU accession in regard to the climate – in that direction is the promotion of the Green Deal for the Western Balkans.
- Advancing digital economy and strengthening the ties in all of its dimensions: transport, energy, digitalization and between people, including tourism and culture.



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