Basic information

1999/2126(COS) COS - Procedure on a strategy paper (historic) South-Eastern Europe: stability pact, stabilisation and association agreements **Subject** 6.10.01 Foreign and common diplomatic policy 6.40.03 Relations with South-East Europe and the Balkans **Geographical area** Albania Bosnia and Herzegovina Croatia Former Yugoslav Republic of Macedonia Yugoslavia, Federal Republic - 01/2003	Procedure completed

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AFET Foreign Affairs, Human Rights, Common Security, Defense	LAGENDIJK Joost (V /ALE)	13/10/1999

Council of the European Union

Council configuration	Meetings	Date
General Affairs	2342	2001-04-09
General Affairs	2356	2001-06-11

Key events

Date	Event	Reference	Summary
26/05/1999	Non-legislative basic document published	COM(1999)0235	Summary
07/10/1999	Committee referral announced in Parliament		
21/03/2000	Vote in committee		Summary
21/03/2000	Committee report tabled for plenary	A5-0069/2000	
12/04/2000	Debate in Parliament		
13/04/2000	Decision by Parliament	T5-0177/2000	Summary
13/04/2000	End of procedure in Parliament		
07/02/2001	Final act published in Official Journal		
09/04/2001	Resolution/conclusions adopted by Council		

11/06/2001	Debate in Council		
11/06/2001	Additional information		Summary

Technical information	
Procedure reference	1999/2126(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	AFET/4/11026

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0069/2000 OJ C 040 07.02.2001, p. 0004	21/03/2000	
Text adopted by Parliament, single reading		T5-0177/2000 OJ C 040 07.02.2001, p. 0162-0449	13/04/2000	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1999)0235	26/05/1999	Summary
Document attached to the procedure	SEC(2000)0168	31/01/2000	
Non-legislative basic document	COM(2002)0163	03/04/2002	Summary
Non-legislative basic document	COM(2003)0139	26/03/2003	Summary
Follow-up document	COM(2004)0202	30/03/2004	Summary

South-Eastern Europe: stability pact, stabilisation and association agreements

1999/2126(COS) - 26/03/2003

PURPOSE : to present the report from the Commission on the Stabilisation and Association process for South East Europe Second Annual Report 2003. CONTENT : the European Commission approved the second annual report on the Stabilisation and Association Process (SAp) for the countries of South East Europe: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia and Serbia and Montenegro. The report

assesses the progress of each country in the SAp so far, identifying lessons and challenges for the future, and in particular the coming year. The report reiterates the prospect for the Western Balkan countries of an even closer relationship with the European Union and ultimately membership. It points out that the pace of integration into the EU will ultimately depend on the countries of the Western Balkans themselves. The 2003 report recognises some important progress made over the last twelve months: progress in restoring stability in the region, improved security situation, democratically-elected Governments in place throughout the region, massive reconstruction across the region, progress made in assisting return of refugees and displaced persons, sustained growth, inflation under control, increasing trade, enhanced regional co-operation. The 2003 report also identifies the main challenges facing the Western Balkans countries: - weaknesses in the functioning of democratic institutions and institutional capacity building, - rule of law and full respect of human and minorities rights, - the fight against organised crime and corruption, - reform of the judiciary, - continuing sustainable return of refugees and displaced persons, - inequality in income distribution, - widespread poverty and high unemployment, - structural reforms towards fully functioning market economies, and heavy dependence on foreign financing. The 2003 Report highlights that the EU is not only an economic club, but a Community of values, and that sharing these values will be a key factor in both the Association and Stabilisation process, and progress towards candidate status. EU enlargement in 2004 should add momentum to reform efforts in the Western Balkans. The European Council of 20 and 21 March asked the Commission to examine ways to strengthen the SAp, particularly in the light of experience from the enlargement process. The Thessaloniki Summit in June will be an important opportunity to reiterate that the EU is committed to the European future of the Western Balkans countries. The Stabilisation and Association process is underpinned by substantial EU financial assistance. EUR 4.65 billion have been allocated to the region for the period 2002-2006. The 2003 report reconfirms that the Commission will continue to effectively support the Western Balkans countries in their efforts to take up the pressing political, economic and social challenges identified.

South-Eastern Europe: stability pact, stabilisation and association agreements

1999/2126(COS) - 03/04/2002

The Commission Report remarks that the words chosen for the "Stabilisation and Association Agreements" (SAP) were done so with great care. At its inception in 2000, following years of violence and aggression in the five country region, the international community, with the European Union at the helm, offered these countries greater association with the west whilst simultaneously encouraging progress towards enhanced stability. SAP draws heavily from the European Agreements which the EU has been forging over the past years with candidate countries from central and eastern Europe. As with the European Agreement, SAP holds out the promise of eventual accession to the EU. From the outset the EU has set the policy that ultimate membership of the EU is both possible and desirable for the south east region - on the understanding that certain conditions are met, not least of which is a commitment to democratic principles and the renunciation of violence as a means to an end. This Report is the first annual report prepared by the Commission and is an overall audit of progress to date within SAP. Annexed to the document are assessment reports on the individual countries participating in SAP namely, Albania, Bosnia and Herzegovina, Croatia, Federal Republic of Yugoslavia and the Former Yugoslav Republic of Macedonia. Overall, the Report notes that many countries are showing a clear commitment towards change and reform. Nevertheless,the region remains volatile and potentially unstable - as witnessed by the political and military disruptions in the former Yugoslav Republic of Macedonia in 2000. The challenge for the EU therefore is to cope with this political volatility and institutional fragility while holding a steady course towards the strategic goal of integration of the countries of the region into the EU. In terms of structure, SAP is organised along both bilateral and regional lines. The basic building blocks of SAP are through contractual links, trade preferences and financial assistance (channelled through the CARDS programme).These building blocks enable the EU to make a lasting contribution to institution building and sustainable development in the region. On the question of progress made and lessons learned the Report notes that the process needs to be tailored to the needs and specific conditions of the individual countries and that a proper balance needs to be struck between stabilisation and association. Indeed, one of the clear lessons learnt has been that it is difficult to move very far along the association path unless there is a certain degree of stability - especially respect for the rule of law and the functioning of political and judicial institutions. Bearing this later point in mind the Report emphasises that one of the continuing challenges for the EU under SAP will be the encouragement of regional cooperation. The EU's foundations are built on the concept of regional co-operation. Political understanding as well as economic and social prosperity depend on close co-operation with neighbouring countries across the broadest range of activities. Integration with the EU for the south eastern region of Europe is only possible if future members can demonstrate that they are willing and able to interact with their neighbours as EU Member States do. The Report urges SAP participants to recognise the importance of regional understanding in order to tackle the very real problems associated with the area including organised crime, refugees, theneeds to forge ahead with trade agreements and the need for properly functioning regional agreements in the energy and transport sectors. Within this context, the authors of the Report call for a particular and determined effort to entrench the rule of law as a sine qua non for stability and progress with reform. For its part the EU is offering continued assistance in an attempt to reach these ambitious goals, not only through financial assistance, but also through actions such as the newly proposed political forum, known as the Zagreb process.

South-Eastern Europe: stability pact, stabilisation and association agreements

1999/2126(COS) - 30/03/2004 - Follow-up document

This is the third Annual Report on the Stabilisation and Association process for South East Europe (Sap) prepared by the European Commission. It provides an assessment of the economic and political progress made in Albania, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia, Serbia and Montenegro and Kosovo. An Opinion on Croatia's application for EU membership is being presented separately. The Report is structured into three parts. The first summarises the progress made by the individual countries over the previous year. Included in this part is an evaluation of the EU's trade measures vis-à-vis the region. The second part comprises of an analysis of each country, including assessments on the political and economic situation, implementation of reforms etc. The third part contains the Commission's proposal for the first European Partnership programmes for the countries here assessed. This part of the study identifies short and medium term priorities which each country needs to address if they are to succeed in gaining EU membership. The European Partnership for Croatia will be presented separately alongside the Commission's Opinion on its

membership application. Significantly, this Report is a key indicator in assessing the readiness of the countries concerned to move towards their stated ambition of joining the European Union. The third Annual Report makes the following findings: - The Commission will work hard to help those countries analysed in this report prepare for eventual membership of the EU. - A first step in this direction are the European Partnership agreements, which are being presented alongside this Report. These Partnerships identify priority measures for the short and medium term. The countries are strongly encouraged to develop plans for the implementation of the priorities within a set timeframe. - The Commission will continue to support the efforts of the western Balkans to obtain increased financial assistance. - The Commission welcomes sector specific reforms which are currently underway in the western Balkans. Negotiations for an SAp with Albania are underway. An SAp for Bosnia Herzegovina was not deemed feasible and so a 16 point priority list was identified in 2003, which Bosnia Herzegovina is working towards achieving. The SAA with the former Yugoslav Republic of Macedonia is about to come into force and Serbia Montenegro has made progress towards a closer relationship with the EU through the adoption of a Constitutional Charter and an internal market and trade action plan. - The Commission is encouraged by the increase in regional co-operation, particularly as far as infrastructure, trade, transport and energy, are concerned. - The Report does, however, identify a number of challenges hindering the countries transition to fully functioning democracies. Some of the problems identified include organised crime and a weakness in the enforcement of law and order. - Greater efforts need to be made in the field of reconciliation. - Several countries continue to refuse to co-operate with the ICTY. - Although unemployment remains high across the region, the Commission reports that the economies continued to grow at a higher rate that the rest of the world and that inflation remainlow. The Commission urges the countries to improve the business climate and the competitiveness of their industries. - Recent events in Kosovo were a serious setback to the process of stabilisation and is a reminder that the Kosovo question remains critical for the stability of the region as a whole. - Lastly, the EU will continue to work toward greater co-operation among the different international actors involved in the region in order to make the best use of the resources available.

South-Eastern Europe: stability pact, stabilisation and association agreements

1999/2126(COS) - 26/05/1999 - Non-legislative basic document

PURPOSE : to establish a Stabilisation and Association process for the Western Balkans. CONTENT : the present Communication lies within the delicate political context which has characterized the region of South-Eastern Europe for the last decade and was recently jeopardised by the inter-ethnic conflict in Kosovo. Notwithstanding the important aid from the Union in favour of the countries concerned in order to stabilise the region (around 7 billion EURO for Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia, the former Yugoslav Republic of Macedonia or FYROM and Albania), progress made has been fragile. That is why the Commission is proposing with this strategic document a global approach to the process of stabilisation for the Western Balkan region which constitutes the framework of relations to come with this region. On the geopolitical level, the region of South-Eastern Europe is very close to the Union and this proximity and the importance of it will continue to grow after the enlargement process. The approach advocated by the Commission is that of a regional process of stabilisation, even if there are some clear differences between countries that need to be taken into account. Two sub-sets have evolved : on the one hand, the countries who have not been involved in the conflicts and who have maintained bilateral relations with the Union (the FYROM and Albania) and the countries stemming from the former Yugoslavia. For the Commission, the respect for the Dayton agreement developed in 1996 constitutes an unquestionable prerequisite to the realisation of a stability process and of economic prosperity in the region. However, as the process set in motion in 1996 is no longer sufficient, a multilateral approach is preferred today. This approach would be based on certain strategic elements. Besides respect of the most demanding conditions on the political level (promoting and sustaining democracy, upholding of the rule of law and respect for minorities) and economic level (restoration and reconstruction of the economy and progress towards a market economy), it is planned to implement new initiatives which include: 1) the development of Stabilisation and Association Agreements with the 5 countries concerned, taking into account their respective situations: the main objectives of the agreements would be to draw the region closer in the perspective of full integration into the EU; to support the consolidation of democracy and the rule of law; economic development and reform; create a formalised framework for political dialogue both at regional and bilateral levels; promote economic and trade relations with the Union by nurturing a climate favourable to investment; to provide over time for the possibility to establish one or several free trade areas once sufficient progress has been made in economic terms; to provide a basis for cooperation in all fields. It is worth noting that strict conditions would have to be fulfilled prior to the launch of the negotiations (in particular, respecting political and economic demands), and interms of the recent analysis of events, the countries nearest to satisfying the conditions would be the FYROM (see procedure 1999/2121/COS); 2) the development of economic and trade relations with and within the region; 3) the development/partial reorientation of existing economic and financial assistance; 4) increased assistance for democratization, civil society, education and institution-building : in this framework it would include free and fair elections, good parliamentary practice, promote independent media, rule of law through technical assistance for judicial, police and customs reform, anti-corruption programmes and reinforce civil society organisations and initiatives (especially after the war); 5) the use of new opportunities for cooperation in various fields, including justice and home affairs (in particular following the entry into force of the Amsterdam Treaty); 6) the development political dialogue, including at regional level. This dialogue should be developed at various levels and under different structures so as to permit the countries to meet to discuss issues of common and regional interest. The existing system of autonomous trade preferences for the countries which emerged from the former Yugoslavia will remain important until contractual relations are established with the other countries concerned. Economic and political development should go hand in hand. In 1999, financial assistance from the Community budget to the countries of the Regional Approach will be almost 700 million EURO in order to cope with the reconstruction process. The Commission will propose a legal base for the implementation of assistance to the region as a whole, taking into account the links with the PHARE programme or other new instruments. In all instances, the granting of aid would be according to the capacity of countries to collaborate with one another (for example, by creating common programmes etc.). Finally, one of the essential elements of this strategy will be to closely link the European Regional approach with that of the other actors engaged in the Region (UN, Council of Europe, OSCE, WEU and NATO) and with the will of the populations concerned to advance towards the stabilisation of their countries.

South-Eastern Europe: stability pact, stabilisation and association agreements

1999/2126(COS) - 13/04/2000 - Text adopted by Parliament, single reading

The European Parliament adopted its resolution on the Commission's communication on the stabilisation and association process for countries of South-Eastern Europe. Parliament's rapporteur was Mr. Jan Joost LAGENDIJK (Greens/EFA, NL). The EP considers the Stability Pact for South-Eastern Europe as the central challenge for the EU at present, and considers that it will be decisive for the future of peace and stability in South-Eastern Europe, as well as for the Union's political credibility. It therefore calls on the EU to take over the central leading role in the Stability Pact using all the instruments, programmes and funding potential at its disposal. It calls for dovetailing with the Special Coordinator responsible for the implementation of the Pact and for the strengthening of the European pillar within the structure of the Pact to be used to reduce the number of actors on the Balkan stage and to ensure greater transparency in the use of existing structures. The Parliament stresses the need to isolate extreme nationalist groups which resist all efforts to bring about a return to democratic dialogue and the economic development wanted by moderate groups in the region. The results of the financing conference for the Stability Pact of 29/30 March 2000 and considers its implementation as a decisive test of the Pact's ability to transform political concepts into practice. The EP calls on the Commission to cofinance practical projects from all three subject areas in the context of the new Association and Reconstruction Programme for the five countries of the Western Balkans (CARA Programme), under the Phare programme and exploiting INTERREG; not only should regional economic projects be promoted, but particular attention should also be devoted to projects in the first subject area - democratisation and promotion of civil society as well as the third - regional disarmament, mine-clearance, improving police work and anti-corruption measures. Parliament calls for particular emphasis to be laid on regional cooperation and programmes for several countries and cross-border projects to remain feasible in the context of the Stability Pact. It takes the view that the sphere of responsibility of the European Agency for Reconstruction should be extended beyond Kosovo to the whole region covered by the new association process and that the Agency must be responsible for implementing the horizontal EU programmes as well as for coordination with projects devised by other international donors. Parliament considers with respect to the FRY that the selective lifting of sanctions might be a way of strengthening the Serb opposition and weakening the Milosovic regime and that a distinction should be made between sanctions on the establishment in Yugoslavia and sanctions against the people of the country, so that the latter sanctions may be gradually lifted, thus allowing democratic dialogue in Yugoslavia to be promoted. It also supports the participation of Montenegro in the political dialogue launched with the democratic forces in the FRY. The EP requests, in the interests of the whole region, the earliest possible re-establishment of conditions for ensuring the navigability of the Danube. Parliament welcomes the democratic developments in Croatia and encourages the new government to take the necessary steps to ensure that the EU can extend its aid towards the country and the negotiations for a Stabilisation and Association Agreement to commence. It calls on the Council and the Commission to ensure their active participation in the Conference on the Security and Development of the Adriatic and Ionian Seas as a valid contribution to the work of the Stability Pact. It also asks for the Republic of Moldova to be given an opportunity to participate directly in the Stability Pact. Parliament considers the combating of corruption and organised crime to be a decisive precondition for creating a civil society based on the rule of law and democracy and, in this context, requests that appropriate attention be given to recruitment, training and adequate levels of pay for police forces. It calls on the Council, the Commission and the Pact coordinator to promote a specific initiative for drawing up common agreements on police and judicial cooperation between the European Union and the countries concerned and to offer active support for the projects needed for its achievement. The importance of the independent media for the development of civil society is stressed and the draft Charter for Media Freedom in the context of the Stability pact is welcomed; the EP considers that it should also receive tangible support in the form of precisely targeted projects. Parliament calls for the teaching of tolerance and cooperation, not least in schools, and calls for particular attention to be devoted to this when school books, curricula, etc. are being drawn up. The EP supports the formation of concrete plans aimed at contributing to the cultural and religious approach between the five countries and stresses the need for protection of the monuments and the cultural heritage treasures in the region with precise actions. The important role of internation and local NGOs in economic and social reconstruction is stressed by the Parliament, as well as the need for the greater participation of as many local NGOs as possible in the reconstruction projects, retaining on the other hand strict and efficient control over their financial procedures in order to avoid corruption. Parliament reiterated its demand for active regional aid from the EU in the context of the Stability Pact, to promote regional infrastructure projects, such as the extension of European corridors 8 and 10, cross-border energy, environment and water projects and the joint improvement of border management and customs. The Commission is called upon to ensure that there are no barriers to trade between the countries in the region, in particular between the applicant countries and the other countries. Lastly, the EP supports the efforts of the Commission to create an effective mechanism for civilian crisis management.