



THE STABILITY PACT, TWO YEARS AFTER

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The Stability Pact for South-Eastern Europe organised, on October the 25-26 2001, at Bucharest, Romania, the second Regional Conference on Reforms and Assistance. The event has been held under the auspices of the Romanian Government, the World Bank and the European Commission. On that occasion, the participants stated their further support for South-Eastern Europe, a region which will remain on the top agenda of the international community after the terrorist attacks on September the 11th and the changes that followed in the international politics. At the same time, it has been outlined the necessity of a better coordination in view of a better financial support for the projects concerning the area. The countries of the region also agreed on a declaration to work together in the fight against terrorism. (key words: South-Eastern Europe, political commitment, financial assistance, counter-terrorism)

A renewed political support for the region

Ministers and High Level officials from 37 countries and 32 international organisations expressed, after the two days conference in Bucharest, a renewed commitment to long-term economic and social development of South-Eastern Europe. It was the first time such a conference has been held in the region, the

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previous donors conference was organised in Brussels, in 29-30 March 2000. The donor countries did also recognised the substantial progresses made by the countries of the region towards democratic and macroeconomic stabilisation and regional cooperation. In that sense, they outlined the importance of the Stability Pact's regional initiatives for trade liberalisation, refugee return and to fight organised crime and corruption. In addition, more specifically, the participants announced that 2.4 billion euro will be secured for a new set of 27 infrastructure projects on key-sectors in the region - transport, air traffic, energy and water. The co-chairs of the conference - the European Commissioner for External Relations, Chris Patten, and the World Bank vice-president for Europe and Central Asia, Johannes Linn - announced also that total donor funding for South-East Europe remains over 6 billion euro per year since 1999. Donors announced significant new funding for refugee matters amounting to 500 million euro, contribution that will be added at the fund provided by the countries directly concerned about that matter. The refugee problem is included in the Agenda for Regional Action for Refugees and Displaced Persons, agreed on the Stability Pact Regional Table of June 28, 2001. It comprises a series of bilateral initiatives between Federal Republic of Yugoslavia, Bosnia-Herzegovina and Croatia. The measures deal with property, housing, pensions, social welfare and the necessary assistance to displaced persons by the war in former Yugoslavia, who decide to keep their present residency. Despite these clear successes of the Bucharest Conference, many of the speakers from the South-Eastern European countries expressed more or less their dissatisfaction concerning the low rhythm in financially implementing the projects in the region and the slow European bureaucracy that often, is blocking many of the useful initiatives in the area. Many of the promises made two years ago, when the Stability Pact was launched, in 30 July 1999, in Sarajevo, are still waiting to be put into practice, especially in the field of transports, communications or fighting against organised crime. In these conditions, it's necessary, appreciated many of the representatives of the South-Eastern countries, a better cooperation among the Pact and the European organisations and regional structures. That was the main idea of the first parliamentary conference of EU and Stability Pact countries, held on 17-18 September 2001, in Brussels. After the initiative of the president of OSCE's Parliamentary Assembly, the Romanian Adrian Severin, the Council of Europe and the EU legislative bodies agreed in June 2001 to sponsor the parliamentary dimension of the Stability Pact by creating a Parliamentary Troika. Its aim is to give more political weight to the Stability Pact's initiatives

and to provide a deeper support and commitment for the projects of interest for South-Eastern Europe.

Between promises and weaknesses

"The Bucharest conference must send the following signal: South-East Europe has remained on the agenda of international politics", stated, in his intervention, the special coordinator of the Stability Pact, Bodo Hombach. "The new priorities of world politics do not mean that we will reduce the attention given to the continuing challenges and problems we have identified in this part of Europe", continues he. "One thing it's clear: if we want to have peace and stability in all of Europe, than we have to make sustainable investments in SEE today, invest in its people, in its democracies, in its economies, in its security", appreciated Bodo Hombach. "We have to prevent the existing practice of fragmented involvement of the European Union in this region, and a more transparent and unified leadership should be found for the coming years", stated baroness Emma Nicholson of Winterbourne, vice-chairman of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy of the European Parliament. For Christoph Zopel, minister of state in Germany, "then is a room to refocus the Pact and use it even more efficiently for what is was supposed to be: the framework for political cooperation in SEE". The signal that should be sent by the conference is, for Zopel, the following: "We (donor countries) are ready to assist the countries in SEE to join the process of stabilisation and association offering each of them the perspective to become member of the EU at the end of the day. but this goal will not be achieved without intensive political and economic cooperation in the region". In his opinion, the Stabilisation and Association Process and the Stability Pact go hand in hand, and the political process "has to be firmly anchored and driven by the countries in the region". On his side, Johannes Linn, the World Bank representative said that the countries from the region must affirm their political commitment to foster reforms and strengthen cooperation, in time, and that the international community must show his commitment to support this process. In addition, the donors must agree quickly on the strategies for the priority areas of the Stability Pact.

But, for the SEE countries, the problems of the Stability Pact are more clear and need very concrete solutions. "We want the Stability Pact to fulfil in a more efficient way its role of anchor to attract the partners from the international community to the opportunities offered by that region", stated

in his opening speech, the Romanian prime-minister, Adrian N`stase. "The SEE problems cannot be solved only in emergency situations or as answers to crisis. It is time to leave up for ever the logic of intervention and of circumstantial solutions. We don't need another crisis to be convinced that Europe will be more stable and more unite and the Balkans more secure and peaceful only through long-term solutions, confirmed and sustained by "deep political commitments", continued N`stase. "It is still evident the lack of ownership of the process from the countries of the region", suggested Emelinda Meksi, minister of Economic cooperation and Trade from Albania and, at the same time, national coordinator of the Pact. "More could be done by us, countries in the region simultaneously, and not always waiting for each initiative to come via Brussels or other Western capitals", she proposed. "The Stability Pact, in the period ahead has to reinforce its visibility and presence in the region and, while becoming more effective, it should develop a more coherent and concerted approach with other major players in the region", stated P. Vlassopoulor, Greece's national coordinator of the Pact. More specifically, Solomon Passy, Foreign minister of Bulgaria, pointed out some of the improvements that the organisation must take into account for the coming period: an efficient mechanism of evaluation and selection of projects in SEE; new tools to accelerate the realization of the projects already started and to quickly materialize new ones. He also stressed the regional priorities of his country that need a strong financial commitment of the European community. Among these, the interconnection of the railway systems of Bulgaria and Macedonia as part of the Pan-European corridor no. 8 or the Danube-Bridge project between Vidin-Calafat.

For a country as Macedonia, the international economic support has a high importance in supporting a war destroyed economy. Zoran Krstevski, deputy prime minister of Macedonia pointed out some weaknesses and progresses of the Pact, urging at the same time the financial assistance for his country "by what will be given necessary economic support to dialogue for peace and stability in Macedonia". The EU donors conference for Macedonia has been recently postponed sine die, after the Parliament from Skopje delayed the adoption of a new important legislative package concerning the administrative reform. That issue, together with the constitutional changes to provide more rights for the Albanian minority, have been included in the Ohrid peace agreement, of August 2001. The Ohrid Agreement put, theoretically, an end to the fights between the Albanian guerrillas and the Macedonian armed forces. After that, Krstevski proposed, first of all, more transparency in the coordination, timely informing the Beneficiary countries of the available

projects. He added, one of the most important progresses of the last two years Pact's activity is the increasing of regional cooperation in the field of trade liberalization. In his opinion, the countries from the region have shown their commitment by accepting to work on the completion of the network of bilateral Free Trade Barriers and on the harmonization of legislation in the trade related areas. A Memorandum of Understanding (MoU) on Trade Liberalisation and Facilitation by South-Eastern European countries has been signed on 27 June 2001 in Brussels. The major goal of that document is to complete the network of free trade agreements in the region by the end of 2002, creating a market of up to 55 million consumers. The agreements will be fully in line with the World Trade Organisation rules and with relevant obligations of each signatory country assumed with the EU.

To summarize, the end of 2001's SEE, is very different from the SEE of 1999's summer, but the process of change it's still at the beginning. "Our goal is equally clear. It is to make SEE a full part of Europe - not in the geographical sense, it already is- but a full member of the EU family, not a poor, neglected relative. The objective is to give to the counties of this region a credible prospect of membership of the EU", appreciated Chris Patten, the EU commissioner for external affairs. He also made a round-up of the concrete progresses in SEE, two years after the Stability Pact has been launched: Croatia, for example, said he, is today a democracy, that has already negotiated a Stabilisation and Association Agreement with the EU; Federal Republic of Yugoslavia joined the Pact in October 26, 2000, few weeks after Milosević is gone; Bosnia-Herzegovina has now a moderate, non-nationalist government, at the same time that Romania and Bulgaria made steady progresses towards EU accession.

SEE countries want a closer cooperation to counter terrorism

In addition to the concrete financial problems of the countries from the region, at the Bucharest conference, a common declaration concerning the regional cooperation to fight terrorism was adopted. The document has been signed by Albania, Bulgaria, Bosnia-Herzegovina, Croatia, FR of Yugoslavia. Consultations were facilitated by the Stability Pact's Working Table III (Security and Defence) and started after the terrorists attacks in US on September the 11. This initiative is very important, first of all, because it enhance cooperation among countries that in recent times have been, some of them, themselves involved in bloody conflicts and which now want to identify the common enemy they want to fight against. At the same time, SEE started a process aiming to put an end to the overall identification of the region as a

"power keg" by trying to offer to the entire Europe a more secure and stable framework. In that respect, the countries agreed in principal to share information and analyses regarding terrorists and terrorist organisations, in close cooperation and co-ordination with Europol, Interpol and the SECI Crime Centre and also training police and other related security sector agencies to be more effective in combating terrorism. At the same time, it has been decided the exchange of information on cross-border financial transactions that might finance terrorist actions and further harmonising, in line with European standards, domestic legislation regarding extradition, prosecution and other legal mechanisms aimed at combating terrorism. And to make a more focused exchange of information, the above mentioned countries established an ad-hoc Group on Terrorism issues in the context of the Stability Pact Working Table III.

Also in the context of Working Table III, it has been agreed the mechanisms to fight against organised crime and corruption (Stability Pact Fight Against Organised Crime Initiative - SPOC). The document starts from the statement that organised crime in SEE threatens democracy, the rule of law, human rights, security and stability, and social and economic progress within this region and with an impact beyond. In general, the criminal groups in SEE are involved in: extortion and racketing, small arms and light weapons trafficking, money laundering, trafficking with drugs and stolen vehicles. In these conditions, SPOC established the principal mechanisms for cooperation and collaboration in the region, on multi-disciplinary basis.

In that way, The Stability Pact tries to extend his area of interest by providing a stable framework for political cooperation in the SEE area and promoting new ways of working together in very specific issues.

Conclusions

The Bucharest conference marked a very important step in the history of the Stability Pact. Two years after its creation, the organisation evaluated its progresses and weaknesses together with the beneficiary and donor countries trying to establish a more concrete agenda. It also extended its political dimension, especially by getting ready to face the new challenges outlined in the last months. But, at the same time, the Stability Pact, together with the other international organisations must try to reinsert itself in the international architecture, by having more defined and complementary attributions. And, at the same time, trying to be more effective and focused on the concrete needs of the region. A region which, in the last years, after bloody wars, faces big

economic and social problems, alongside with long transitional processes, more or less confused. A region which, even strongly affirming its European identity and establishing as a fundamental goal to become members both to the EU and NATO, is not always fully aware of the problems faced by these organisations themselves. So, the changes must be taken into account on both sides and the way in which both parts decide to come together must be part of a long process of dialogue and communication.

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