

# REGIONAL COOPERATION IN THE WESTERN BALKANS

Regional Economic Area, the "Mini-Schengen" and the Common Regional Market





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#### This report is supported by:

Royal Norwegian Embassy



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Balkans Policy Research Group (BPRG)

#### **ACRONYMS**

**BCO** Broadband Competence Office

BCP Border Crossing Point
BiH Bosnia and Herzegovina
CCP Common Crossing Point

CEFTA Central European Free Trade Agreement

CRM Common Regional Market
EC European Commission
EEA European Economic Area
EMU European Monetary Union

**ENIC-NARIC** European Network of Information Centres - National Academic

Recognition Information Centres in the European Union

ERISEE Education Reform Initiative of South Eastern Europe
ESFRI European Strategy Forum on Research Infrastructures

**EU** European Commission

ICJ International Court of Justice

ICT Information and Communications Technology

ID Identity Document

IIA International Investment Agreements
IPA Instrument for Pre-Accession Assistance

IRAP Individual Reform Action Plan

**KIESA** Kosovo Investment and Enterprise Support Agency

**KODE** Kosovo Digital Economy

MAP REA Multi-Annual Action Plan for a Regional Economic Area

MARRI Migration, Asylum, Refugees Regional Initiative
NREN National Research and Education Networks

RCC Regional Cooperation Council
R&D Research and development

RIRA Regional Investment Reform Agenda

RRA Regional Roaming Agreement
RYCO Regional Youth Cooperation Office

SAA Stabilisation and Association Agreement

**SEE** South East Europe

SEECP South-East European Cooperation Process
SEETO South East Europe Transport Observatory

TCT Transport Community Treaty

**TEN-T** Trans-European Transport Network

**UN** United Nations

**UNMIK** United Nations Mission in Kosovo

WB6 Western Balkans Six (Albania, Bosnia and Herzegovina, Kosovo,

North Macedonia, Montenegro and Serbia)

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#### **EXECUTIVE SUMMARY**

The concept of "new regionalism" arrived quite late in the Western Balkans due to the unfortunate events of the 1990s. Initially perceived as a peace and security strategy following the violent conflicts, this was quickly compensated with a wave of regional initiatives up until the present. This was achieved with the Stability Pact and through the format of the South-East European Cooperation Process (SEECP), including a group of countries beyond the Western Balkans. However, fully-fledged regional cooperation in the Western Balkans only become a possibility following the agreement on Kosovo's regional representation in 2012 and the First Agreement on Principles Governing the Normalization of Relations in 2013, between Kosovo and Serbia. This enabled the launch of the Berlin Process in 2014 which further shaped regional cooperation through the format of the "Western Balkans Six".

Regional cooperation has become a tool for the evaluation of the Western Balkans Six not only for their path towards EU integration but for regional economic integration between the neighbouring countries. In addition, all regional organisations and initiatives aim to align with EU approximation agendas and policies. As such, the European Union treats regional cooperation as one of the key benchmarks for the Western Balkans and their EU integration process. However, the many regional initiatives which have been established so far in the Western Balkans, and which continue to appear every few years are largely unimplemented – due to a lack of bilateral relations and lack of capacity, and bring very limited change to regional cooperation. Moreover, governments of the Western Balkans countries hardly treat regional cooperation as a policy priority.

Currently, the most debated and unfolding agendas on regional cooperation are the **Regional Economic Area**, the so-called "mini-Schengen" and recently the **Common Regional Market**. The **Multi-annual Action Plan for a Regional Economic Area (MAP REA)** was developed upon the request of the Prime Ministers of the Western Balkans Six "for a joint approach to furthering economic cooperation in the Western Balkans" in the context of the Berlin Process and subsequently endorsed at the Trieste Summit in 2017. However, the implementation of MAP REA has experienced many challenges and bilateral disputes in the region affected its overall implementation.

In October 2019, in a parallel process, the leaders of Serbia, North Macedonia, and Albania, unilaterally announced the so-called "mini-Schengen" initiative seeking to establish the free movement of people, goods, services, and capital in the Western Balkans. In Kosovo, this was a non-passé for all politicians, analysts, academia, and civil society alike. However, Kosovo was not the only one as Montenegro and Bosnia and Herzegovina were also on the fence about joining due to internal reasons. On 4 September 2020, at the White House Summit in

Washington, Kosovo agreed to become part of the "mini-Schengen". With US support, the initiative gained momentum and became an agenda on the table against the desires of the international community and the European Union.

Following the so-called "mini-Schengen" initiative, the Common Regional Market (CRM) was developed to address similar issues specifically those related to 'four freedoms' and subsequently endorsed by the leaders of the Western Balkans at the Berlin Process Summit in Sofia, Bulgaria in November 2020. It aims to create a regional market based on EU rules and procedures and bring the Western Balkans closer to the European Single Market.

All the countries of the Western Balkan Six share the ambition of joining the European Union and have expressed a willingness and desire for regional cooperation. Nevertheless, unresolved conflicts and bilateral disputes have led to prevailing and significant mistrust in the region which at times is a source of instability, undermining cooperation and progress on regional initiatives. If this deep distrust between the Western Balkans Six exists, it will be challenging to achieve proper regional economic integration and with that, also EU integration.

The Western Balkans will have to work on many fronts, including resolving bilateral issues and improving relationships with one another, as the main prerequisite for progress on regional cooperation. In addition, implementation capacities will need to be improved and regional cooperation will need to be higher on the policy agenda for the governments of Western Balkans countries.

Among the Western Balkans Six, Kosovo has faced the most problems and its path in regional initiatives has been fraught with difficulties before and after its independence. Its main challenges in participating more actively in regional initiatives are related to non-recognisers in the European Union and the Western Balkans, the Kosovo-Serbia dialogue, and a lack of implementation capacities. The government will need to increase its efforts. Nevertheless, Kosovo has managed to join several important regional initiatives. After securing membership, the issue of Kosovo's participation comes down to the benefits it gains from each initiative and its commitment to their implementation.

#### **RECOMMENDATIONS**

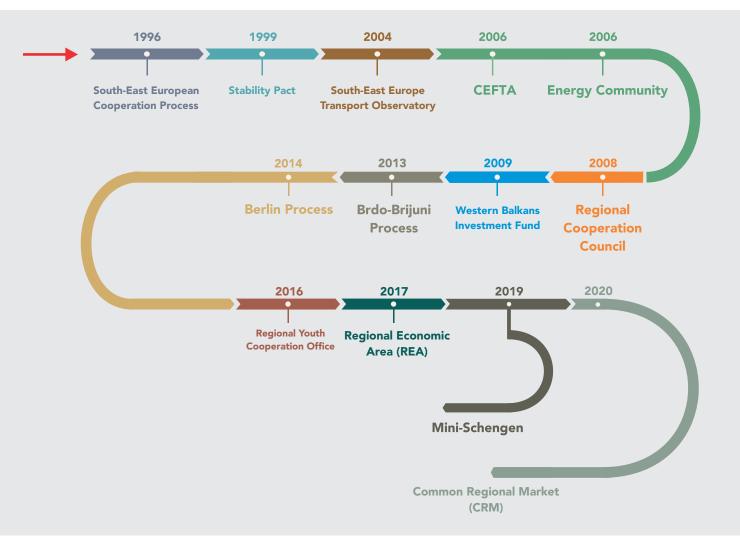
- Parallel agendas should integrate into one set of regional initiatives and organisations: the "mini-Schengen" into the Berlin Process agenda, thus ensuring all-inclusiveness and participation from all the Western Balkan Six countries. The EU, the Member States and the US should fully coordinate, support common regional agendas and avoid unilateral processes.
- Prioritise the resolution of state-to-state bilateral disputes, as a prerequisite for successful and advanced regional cooperation.
- Increase institutional capacity-building of regional organisations and institutions to facilitate better coordination and the implementation of regional initiatives and agendas.
- Governments of Western Balkans Six should work to identify key areas, venues and mechanisms to forge regional cooperation which are implementable and produce impactful changes for citizens of all countries.

#### To the Government of Kosovo:

- Conduct a comprehensive analysis to identify and select Kosovo's core priorities and objectives in regional agendas and initiatives.
- Develop a cross-sectorial and inter-institutional approach for achieving Kosovo's core priorities and objectives in regional agendas and initiatives (especially those within the Berlin Process and "mini-Schengen").
- Establish a cross-sectorial and inter-institutional task force coordinated and led by the Ministry of Foreign Affairs to implement an approach for maximising the benefits from regional agendas and initiatives.
- Review the current framework to facilitate secondments based on the prioritisation of regional initiatives with a strategic interest for increasing Kosovo's role and benefits of regional cooperation.
- Involve civil society and expert groups on thematic issues of regional cooperation relating to domestic and European agendas to support Kosovo's participation and recognize issues that can be addressed by regional actions and initiatives.

#### INTRODUCTION

Many regional initiatives have been built up in the Western Balkans over the past years, and they continue to pop up every few years. However, their structures remain weak, vulnerable to political shocks and occasional breakdowns, and they bring very limited change to regional cooperation and benefits for the citizens of all countries. Among the many regional initiatives, the most debated have been — the **Regional Economic Area (REA)** and the so-called "mini-Schengen", and most recently — the Common Regional Market (CRM).



The disintegration of Yugoslavia brought a wave of initiatives which needed to define a new system of relations throughout the Western Balkans. The European Union sought to clarify these relations through a 'regional approach'. It established the Stability Pact for South-Eastern Europe (SPSEE) in 1999 to "foster peace, democracy, respect for human rights and economic prosperity" for stability in the region.¹ Evidently, the concept of "new regionalism"

<sup>&</sup>lt;sup>1</sup> European Commission, "Stability Pact for South-Eastern Europe", at <a href="https://ec.europa.eu/neighbourhood-enlargement/policy/">https://ec.europa.eu/neighbourhood-enlargement/policy/</a>

had arrived quite late in the Western Balkans due to these unfortunate events but was quickly compensated with over 40 regional initiatives launched in the last decades.<sup>2</sup> Initially, regional cooperation was mainly perceived as a peace strategy and strengthening security in the region. This was achieved through the format of the South-East European Cooperation Process (SEECP), including a group of countries beyond the geographical boundaries of the Western Balkans. In 2008, the Regional Cooperation Council (RCC) was established as the successor of the Stability Pact and operational body of the South-East European Cooperation Process (SEECP) to enhance regional ownership.<sup>3</sup>

With the promise of EU accession fading for the Western Balkans after the manifestation of the EU's 'enlargement fatigue', German Chancellor Angela Merkel and German Foreign Minister Frank-Walter Steinmeier launched the Berlin Process in 2014.<sup>4</sup> This German-led European initiative attempted to revive the EU perspective of the region by facilitating regional cooperation between the countries of the Western Balkans Six (WB6) countries – Albania, Bosnia and Herzegovina (BiH), Kosovo, North Macedonia, Montenegro and Serbia – and help them fulfil the criteria of joining the European Union (EU). In practice, the Berlin Process Agenda is an overarching umbrella uniting multiple mechanisms to strengthen cooperation and economic development in the WB6.<sup>5</sup> This enabled fully-fledged regional cooperation in the Western Balkans through the new format of the "Western Balkans Six".<sup>6</sup> As part of the Berlin Process, in July 2017, the Regional Cooperation Council (RCC) presented the Multi-annual Action Plan for a Regional Economic Area in the Western Balkans (MAP REA) during the Berlin Process Summit in Trieste, Italy.<sup>7</sup> Two years after, the initiative was criticised for insufficient progress which could be shaped into economic growth and further integrations.<sup>8</sup>

glossary/terms/stability-pact\_en

<sup>&</sup>lt;sup>2</sup> European Parliamentary Research Service, "Regional Initiatives", 26 September 2016, at <a href="https://epthinktank.eu/2016/09/27/the-western-balkans-and-the-eu-enlargement-and-challenges/list\_2\_list\_gw/">https://epthinktank.eu/2016/09/27/the-western-balkans-and-the-eu-enlargement-and-challenges/list\_2\_list\_gw/</a>

<sup>&</sup>lt;sup>3</sup> For more details, see the organisation's website at <a href="https://www.rcc.int/">https://www.rcc.int/</a>

<sup>&</sup>lt;sup>4</sup> Statement by Germany Foreign Minister Steinmeier on the meeting with Foreign Ministers from the Western Balkan states, at <a href="https://www.auswaertiges-amt.de/en/newsroom/news/140828-bm-westbalkankonferenz/264668">https://www.auswaertiges-amt.de/en/newsroom/news/140828-bm-westbalkankonferenz/264668</a>

Several regional initiatives have been launched by the EU, such as the Regional Cooperation Council (RCC), the South-East European Transport Observatory (SEETO), the South-East European Cooperation Mechanism (SEECP), the Regional Initiative for Migration, Asylum Refugees (MARRI), the EU-WB Ministerial Forum, and the Brdo-Brijuni Process led by Slovenia and Croatia, overlapping, or complementing some of the points in the Berlin Process Agenda. For more, see Balkans Group report, The Berlin Process for the Western Balkans: Gains and Challenges for Kosovo, at <a href="https://balkansgroup.org/en/the-berlin-process-for-the-western-balkans-agains-and-challenges-for-kosovo-2/">https://balkansgroup.org/en/the-berlin-process-for-the-western-balkans-agains-and-challenges-for-kosovo-2/</a>

<sup>&</sup>lt;sup>6</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> For the full text of the document, see <a href="https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six">https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six</a>

Statement from the Prime Minister of Albania Edi Rama on 10 October 2019 in Novi Sad, Serbia, at <a href="https://www.predsednik.rs/en/">https://www.predsednik.rs/en/</a> press-center/news/president-vucic-meets-the-prime-minister-of-the-republic-of-north-macedonia-and-the-prime-minister-of-the-republic-of-albania

In parallel, in October 2019, Serbian President Aleksandar Vučić, Albanian Prime Minister Edi Rama and North Macedonian Prime Minister Zoran Zaev launched the so-called "mini-Schengen" with the aim of furthering economic integration between themselves through the free movement of people, goods, services, and capital using only ID cards.<sup>9</sup>

Soon after the **Regional Economic Area (REA)** and the so-called "mini-Schengen", another regional initiative would be launched. In November 2020, at the Berlin Process Summit in Sofia, Bulgaria, the RCC presented the **Common Regional Market (CRM)** the newest regional initiative, built upon the **REA**, with the aim creating a regional market based on the EU rules and procedures and bringing the region closer to the EU Single Market.

#### **KOSOVO'S TRAJECTORY IN REGIONAL INITIATIVES**

Kosovo's membership and participation in regional initiatives and organisations has been challenging from the beginning. Before it declared independence, Kosovo (under the United Nations Interim Administration Mission in Kosovo) participated in the Stability Pact for South East Europe since the EU's 2003 Thessaloniki Agenda. <sup>10</sup> Yet, these challenges persisted even with Kosovo's declaration of independence in 2008 as it continued to be represented as 'UNMIK/Kosovo' in regional organisations, as it had done before. This made little sense following its institution-building and the transfer of competences from UNMIK and while Kosovo insisted on its participation without a "UN chaperone", Serbia continued to maintain the necessity of a "UNMIK presence".<sup>11</sup>

In February 2012, Serbia agreed that Kosovo could participate in regional meetings, provided that it designates itself as **Kosovo**\* with the accompanying footnote: "This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence". This paved the way for Kosovo to participate in several organisations. The agreement enabled the facilitation of a more inclusive

<sup>&</sup>lt;sup>9</sup> Euronews, "Western Balkan leaders plot their own 'mini-Schengen' zone", 11 November 2019, at <a href="https://www.euronews.com/2019/11/11/">https://www.euronews.com/2019/11/11/</a> western-balkan-leaders-plot-their-own-mini-schengen-zone

<sup>&</sup>lt;sup>10</sup> The Office of the Stability Pact within the Office of the Prime Minister of Kosovo was established after the Thessaloniki Summit in 2003 where Kosovo became a member of regional initiatives under UNMIK and was represented by a UNMIK Coordinator in regional meetings. The Office of the Stability Pact was later transformed to the Office of the Regional Cooperation Council, which is led by a political advisor appointed by the Prime Minister and simultaneously serves as National Coordinator for the RCC.

International Crisis Group report, Kosovo and Serbia after the ICJ Opinion, 26 August 2010, pg. 20 at <a href="https://www.crisisgroup.org/europe-central-asia/balkans/kosovo/kosovo-and-serbia-after-icj-opinion">https://www.crisisgroup.org/europe-central-asia/balkans/kosovo/kosovo-and-serbia-after-icj-opinion</a>

<sup>&</sup>lt;sup>12</sup> Balkans Group, The Brussels Dialogue between Kosovo and Serbia: Achievements and Challenges, 1 October 2020, pp. 28-29, at <a href="https://balkansgroup.org/en/the-brussels-dialogue-between-kosovo-and-serbia-achievements-and-challenges/">https://balkansgroup.org/en/the-brussels-dialogue-between-kosovo-and-serbia-achievements-and-challenges/</a>

<sup>&</sup>lt;sup>13</sup> For the full list of Kosovo's membership in regional and international organizations, see Appendix 2 in Balkans Group, The Brussels Dialogue between Kosovo and Serbia: Achievements and Challenges, 1 October 2020, pp. 79-81

regional cooperation in the Western Balkans which was subsequently shaped by the new "Western Balkans Six" format of the Berlin Process from 2014 onwards. To reflect the results of agreement the between Kosovo and Serbia, the RCC changed its statute from 'members'

KOSOVO'S MEMBERSHIP AND PARTICIPATION IN KEY REGIONAL ORGANISATIONS AND INITIATIVES			
Year Established	Organisation/Initiative		
1996	South-East European Cooperation Process	2014	
2004	South East Europe Transport Observatory	2004	
2006	CEFTA	<b>2007</b> UNMIK as rep.	
2006	2006 Energy Community Secretariat		
2008 Regional Cooperation Council		2013	
2009	2009 Western Balkans Investment Fund		
2013	2013 Brdo-Brijuni Process		
2014	Berlin Process	2014	
2016	2016 Regional Youth Cooperation Office (RYCO)		
2017	2017 Regional Economic Area (REA)		
2019	"mini-Schengen"	2020	
2020	Common Regional Market (CRM)	2020	

'participants'.<sup>14</sup> A similar political connotation was drawn by the Bucharest Declaration of the SEECP Summit in June 2014 whereby Kosovo could assume its place within the SEECP.<sup>15</sup> In several instances, Bosnia and Herzegovina has also obstructed Kosovo's participation on a case-by-case basis. <sup>16</sup>

The list of Kosovo's membership in international and regional organisations could be longer if it was more proactive in pursuing them more strategically. Furthermore, Kosovo has failed to change its representation within different organisations such as CEFTA, the European Civil Aviation Association, or the South East Europe Transport Observatory (SEETO) where it is still represented under 'UNMIK/Kosovo'. However, Kosovo lacks a strategic and consistent policy towards these organisations and has not fully taken advantage of the aforementioned agreement as well as the support it received from the EU and the international community.

Regional cooperation remains a constant conditionality in all progress reports, strategies, or communique of the European Union towards Kosovo and the rest of the WB6. In addition, all regional organisations aim to align with EU approximation agendas and policies. As such, regional cooperation is significantly vital for the EU integration process and should not be

<sup>&</sup>lt;sup>14</sup> RCC, "Regional Cooperation Council's Board amends organization's statute to allow participation of Kosovo\*", 25 April 2013 at <a href="https://www.rcc.int/articles/164/regional-cooperation-councils-board-amends-organizations-statute-to-allow-participation-of-kosovo">https://www.rcc.int/articles/164/regional-cooperation-councils-board-amends-organizations-statute-to-allow-participation-of-kosovo</a> & Statute of the Regional Cooperation Council, 25 April 2013, at <a href="https://www.rcc.int/pages/95/statute">https://www.rcc.int/pages/95/statute</a>

<sup>&</sup>lt;sup>15</sup> The Declaration states that the "Annex of the Charter of the [SEECP] is to be interpreted and applied accordingly, in order to allow the participation of Kosovo in the SEECP activities and meetings, at all levels and on equal terms.", See, SEECP, Bucharest Summit Declaration, 24 June 2014, at <a href="https://www.mae.ro/sites/default/files/file/pdf/2014.06.25\_summit\_declaration.pdf">https://www.mae.ro/sites/default/files/file/pdf/2014.06.25\_summit\_declaration.pdf</a>

<sup>&</sup>lt;sup>16</sup> Interview with an expert on the Regional Cooperation Council, Prishtina, 09 October 2020

<sup>&</sup>lt;sup>17</sup> Kosovo is required to send an official request to the Secretariat of CEFTA to changes its status/name. As CEFTA is a structure bound by an international treaty, this must be approved and ratified by the parliaments of each CEFTA member.

seen as an exercise on its own. This has recently been reiterated in the most recent Economic and Investment Plan adopted by the European Commission, with €9 billion of funding which aims "to spur the long-term economic recovery of the region, support a green and digital transition, foster regional integration and convergence with the European Union".¹8 However, it is important to note that regional agendas need to support resolving bilateral issues between the countries as regional cooperation cannot be used as a substitute for state-to-state relations.

#### THE BERLIN PROCESS AND REGIONAL AGENDAS

Cooperation came so naturally to the Central and East European countries yet was always far more difficult for the Western Balkans in many regards.<sup>19</sup> Following the EU's Eastern Enlargement in 2004 and the subsequent accession of Bulgaria and Romania in 2007, the EU's enlargement process began to be marked by major fatigue, and there was no appetite for new members.<sup>20</sup> This had severe consequences to the promise of EU accession for the Western Balkans. As such, the WB6 had to be re-engaged, and this was accomplished by Chancellor Merkel's Berlin Process initiative, a political push for cooperation aimed at linking the WB6 together in the fields of transport and energy and then expanding into youth exchanges and economic links.<sup>21</sup>

Together with the agreement on regional representation and cooperation in 2012 and the First Agreement on Principles Governing the Normalization of Relations in 2013 between Kosovo and Serbia, the Berlin Process shaped regional cooperation in the region by effectively introducing the new format of the "Western Balkans Six" with all countries on an

<sup>&</sup>lt;sup>18</sup> European Commission, "Western Balkans: An Economic and Investment Plan to support the economic recovery and convergence", 6 October 2020, at <a href="https://ec.europa.eu/commission/presscorner/detail/en/ip\_20\_1811">https://ec.europa.eu/commission/presscorner/detail/en/ip\_20\_1811</a>

<sup>&</sup>lt;sup>19</sup> The difference is attributed to an era marked by the nation and state-building process, with the breakup and chaos in the Western Balkans being the key problems. For more, see Dorian Jano, From 'Balkanisation' to 'Europeanization': The Stages of Western Balkans Complex Transformation, L'Europe en Formation, March 2008, pp. 55-69

<sup>&</sup>lt;sup>20</sup> Many in the EU are uneasy at the prospect of bringing in new members, especially at a time when the bloc has its own internal debates over how to deal with democratic backsliding in Poland and Hungary. "With Hungary, Poland and Croatia going the way they are going, there is no appetite to import new countries with the same issues," said a European diplomat working in one of the western Balkan nations, see The Guardian, "No time soon: EU dashes membership hopes of Balkan states", 18 May 2018, at <a href="https://www.theguardian.com/world/2018/may/18/no-time-soon-eu-dashes-membership-hopes-of-balkan-states-enlargement-sofia-summit">https://www.theguardian.com/world/2018/may/18/no-time-soon-eu-dashes-membership-hopes-of-balkan-states-enlargement-sofia-summit</a>

<sup>&</sup>lt;sup>21</sup> The backbone and most important component of the Berlin Process is the so-called "Connectivity Agenda", which involves the development of transport and energy infrastructure, the improvement of regional links and the simplification of the movement of goods and people. This is done by 'hard measures' such as regional or national infrastructure programs and 'soft measures' such as border crossing procedures, railway improvements, information systems, road safety and maintenance systems. For more, see Balkans Group report, The Berlin Process for the Western Balkans: Gains and Challenges for Kosovo, 17 January 2018, at <a href="https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/">https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/</a>

equal standing.<sup>22</sup> The "Western Balkans Six" format brings together countries which are, more or less, at the same phase in their EU approximation and share the aim of integrating into the European Union and face similar challenges in their economic development. However, the initial impression was that it was a substitute for EU integration — a sort of "mini-EU", given the lack of robust promises for membership from the EU to the Western Balkans.<sup>23</sup> The Berlin Process was presented by the European Union (EU) as facilitating the integration of the WB6 into the EU and although initially launched as a four-year process, the Berlin Agenda was later "reloaded" with a new agenda giving priority to ideas aimed at making the region an attractive economic area.<sup>24</sup>

The Berlin Process generated further regional initiatives and successes, most notably, the signing of the Declaration on Regional Cooperation and the Solution of Bilateral Disputes, the Western Balkans Chamber Investment Forum, the Regional Youth Cooperation Office (RYCO) and the signing of the Transport Community Treaty (TCT).<sup>25</sup> Subsequently, at the fourth annual Berlin Process Trieste Summit in 2017, the leaders of the WB6 made a political commitment to deepen economic integration between themselves in a regional economic area by endorsing the Multi-annual Action Plan for a Regional Economic Area (MAP REA).<sup>26</sup>

### THE REGIONAL ECONOMIC AREA (REA)

The Multi-annual Action Plan on Regional Economic Area in the Western Balkans (MAP REA) was endorsed by the leaders of the Western Balkans at the Berlin Process Trieste Summit held on 12 July 2017. The initiative was developed by the RCC upon the request of the Western Balkans Six (WB6) for "furthering economic cooperation in the Western Balkans" and supported by the European Commission (EC).<sup>27</sup>

The MAP REA aims to "enable the unobstructed flow of goods, services, capital and highly skilled labour" across the Western Balkans in four components: Trade, Investment, Mobility, and Digital Integration.<sup>28</sup>

<sup>&</sup>lt;sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> Speech by the German Foreign Minister, Sigmar Gabriel at the 8th Aspen Southeast Europe Foreign Ministers' Conference, "We Need a Berlin Process Reloaded!", May 2017, at <a href="https://www.auswaertiges-amt.de/en/newsroom/news/170531-bm-aspen/290346">https://www.auswaertiges-amt.de/en/newsroom/news/170531-bm-aspen/290346</a>

<sup>&</sup>lt;sup>25</sup> Balkans Group report, The Berlin Process for the Western Balkans: Gains and Challenges for Kosovo, at <a href="https://balkansgroup.org/">https://balkansgroup.org/</a> en/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo-2/

<sup>&</sup>lt;sup>26</sup> Ibid

 $<sup>^{27}</sup>$  Statement from the WB6 Prime Ministers Meeting, Sarajevo, March 16, 2017

<sup>&</sup>lt;sup>28</sup> RCC, Multi-annual Action Plan for a Regional Economic Area in the Western Balkans Six, 12 July 2017, at <a href="https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six">https://www.rcc.int/docs/383/multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-six</a>

MULTI-ANNUAL ACTION PLAN FOR A REGIONAL ECONOMIC AREA				
TRADE	INVESTMENT	MOBILITY	VDIGITAL INTEGRATION	
I.1. Facilitation of free trade in goods I.2. Harmonisation of CEFTA Markets with the EU I.3. Creating NTMs and TDMs-free region I.4. Facilitation of free trade in services	II.1. Regional Investment agenda II.2. Formalisation of agenda through appropriate instrument(s) II.3. Implementation and monitoring of investment reforms II.4. Promotion of WB as a common investment destination II.5. Diversification of financial systems to boost investment II.6. Smart Growth	III.1. Mobility of researchers  III.2. Mobility of researchers  III.3. Mobility of students and the highly skilled	IV.1. Digital environment networks and services, connectivity and access.  IV.2. Trust and security in digital services  IV.3. Digital economy and society  IV.4. Digital economy and society, data economy, standards and interoperability, innovation	

#### Within the Regional Economic Area (REA) the following measures have been taken:29

- The Regional Roaming Agreement signed in April 2019 at the Digital Summit in Belgrade, has led to the progressive reduction of roaming charges as of July 2019 and their elimination from July 2021.30
- The Regional Investment Reform Agenda (RIRA) was launched in May 2018 with the aim of harmonising WB6 investment policies with European Union (EU) standards and international best practices, within the framework of the SEE 2020 Strategy, Central European Free Trade Agreement (CEFTA) and EU pre-accession and accession processes.
- The adoption of Individual Reform Action Plans (IRAPs) for the implementation of RIRA as well the Declaration on Recognition of Higher Education Qualifications in the Western Balkans.

All actions need to be implemented until 2020; with some actions such as the facilitation of free trade in services and completing regional interconnection and integration into the pan-European GÉANT<sup>31</sup> networks extending until 2023.<sup>32</sup>

<sup>&</sup>lt;sup>29</sup> RCC, Annual Report on Implementation of the Multiannual Action Plan for a Regional Economic Area in Western Balkans, July 2019, at <a href="https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020">https://www.rcc.int/docs/478/annual-report-of-the-secretary-general-of-the-regional-cooperation-council-2019-2020</a>

<sup>&</sup>lt;sup>30</sup> For the full text of the Regional Roaming Agreement, see <a href="https://www.rcc.int/docs/476/regional-roaming-agreement-for-the-western-balkans">https://www.rcc.int/docs/476/regional-roaming-agreement-for-the-western-balkans</a>

<sup>&</sup>lt;sup>31</sup> GÉANT is a pan-European research and education network which interconnects Europe's National Research and Education Networks (NRENs). For more, see <a href="https://www.geant.org/About">https://www.geant.org/About</a>

<sup>&</sup>lt;sup>32</sup> RCC, Consolidated Multi-annual Action Plan for a Regional Economic Area in the Western Balkans Six, July 2017

However, there is a high degree of disinclination regarding REA from participating states.<sup>33</sup> The idea for a regional economic union is said to have been introduced by the President of Serbia, Aleksandar Vučić, following discussions with the Prime Ministers of Albania and Bosnia and Herzegovina, while Montenegro being further ahead in the EU accession criteria, was against the initiative.<sup>34</sup> Kosovo did not welcome the initiative for a common market but its government acquiesced to another form of regional economic cooperation — the REA was a last-minute compromise.<sup>35</sup> However, Kosovo's then-Prime Minister Isa Mustafa was also sceptical of its content and the Kosovo government was particularly fearful of becoming part of a Serbia-dominated trading bloc, which still does not recognise its independence.<sup>36</sup> As a result, many political statements against REA, labelled it as a "Yugoslavia plus Albania", yet they were based on a superficial understanding, political assumptions, and distrust towards neighbouring countries.<sup>37</sup> Kosovo's political leadership never considered that regional integration is synchronous with European integration and as such, a cost-benefit analysis of REA has never been conducted by any of its institutions which conduct its implementation.<sup>38</sup>

<sup>&</sup>lt;sup>33</sup> Balkans Group report, The Berlin Process for the Western Balkans: Gains and Challenges for Kosovo, 17 January 2018, at <a href="https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/">https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/</a>

<sup>&</sup>lt;sup>34</sup> Ibid.

<sup>35</sup> Ibid

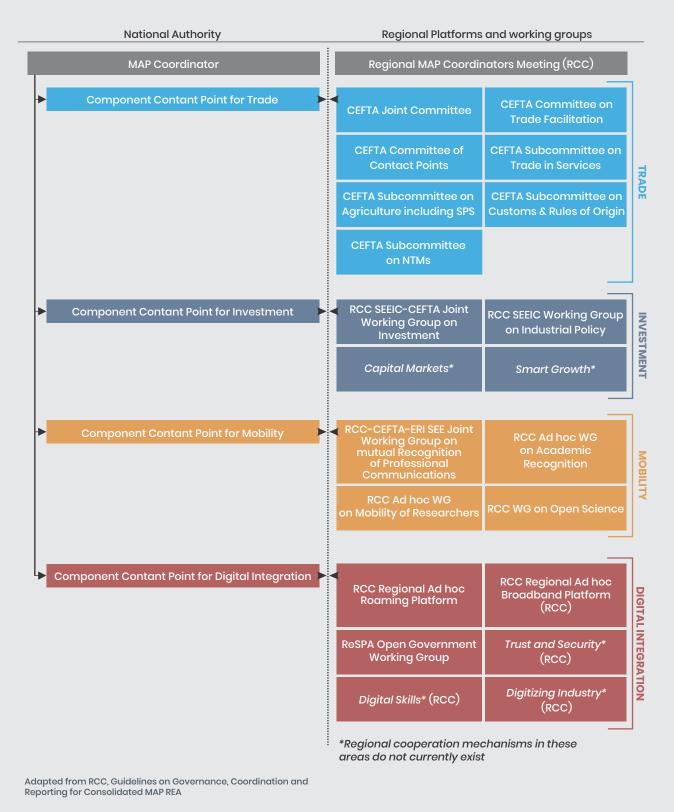
<sup>&</sup>lt;sup>36</sup> The then-Prime Minister of Kosovo Isa Mustafa stated that "Kosovo does not greet this proposal with enthusiasm, regardless of who is making it," describing it as a return to the past with new packaging referring to the former Yugoslav Federation. For more, see Politico, "Trieste test for Western Balkan unity", 7 November 2017 at <a href="https://www.politico.eu/article/trieste-test-for-western-balkan-unity/">https://www.politico.eu/article/trieste-test-for-western-balkan-unity/</a>

<sup>&</sup>lt;sup>37</sup> Many other countries in the WB6 also initially opposed the initiative. For more, see Balkans Group report, The Berlin Process for the Western Balkans: Gains and Challenges for Kosovo, 17 January 2018, at <a href="https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/">https://balkansgroup.org/the-berlin-process-for-the-western-balkans-gains-and-challenges-for-kosovo/</a>

<sup>&</sup>lt;sup>38</sup> Interview with an expert on the RCC, Prishtina, 09 October 2020

#### Monitoring and Reporting of the MAP REA

#### **OVERVIEW OF MAP IMPLEMENTATION AND GOVERNANCE**



To monitor and report on the implementation of the MAP REA, MAP National Coordinators have been appointed by each of the national authorities of the WB6.<sup>39</sup> Also, there are also Component Contact Points for each of the components of the Multi-annual Action Plan (Trade, Investment, Mobility, and Digital Integration).<sup>40</sup> Other participating institutions in the monitoring process include Ministries of Trade, Investment, Education, Research/Science and Innovation, and Digital Economy, Central Banks, Border and Customs Authorities, Competition Authorities, Securities Commissions, Stock Exchanges, ENIC/NARIC offices, Electronic Communications Regulators and National Statistical Offices.<sup>41</sup>

Regional structures are also responsible for monitoring and reporting on the implementation of the MAP REA as follows:

#### CEFTA Secretariat

Responsible for Trade

#### **RCC Secretariat**

Responsible for the Investment, Mobility and Digital Integration. In addition, the RCC Secretariat also report to the PMs' Sherpas on implementation of MAP REA at the regular Sherpas' meetings convened by the European Commission.<sup>42</sup>

#### MAP REA implementation reports are prepared as follows:

- I The Annual Report is prepared mid-year and includes a detailed annual assessment of progress made in each of the policy areas.
- II An Abridged Report developed at the end of each calendar year.

The framework for coordination, reporting, and monitoring intends to maintain a close involvement of national administrations as implementation ultimately takes place at the national level. However, this is not without its difficulties, considering the multitude of participating institutions. Moreover, many quality reports are based on the national administration itself, as they are the primary source of information and no other external monitoring and reporting is carried out. This makes it difficult to track and verify progress as there is no common reporting format and relies entirely on each of the line ministries.

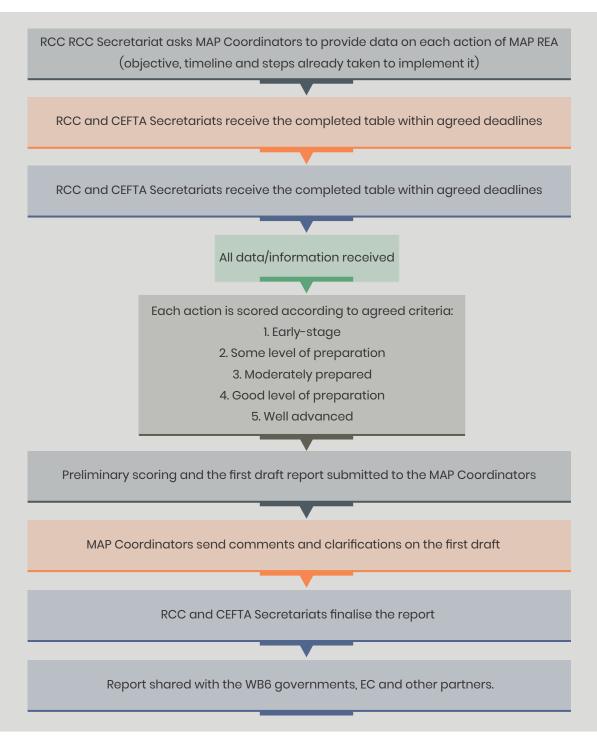
<sup>&</sup>lt;sup>39</sup> RCC, Methodology on monitoring and reporting on the Multi-annual Action Plan for a Regional Economic Area in the Western Balkans (MAP), 2 July 2019, at <a href="https://www.rcc.int/docs/473/methodology-on-monitoring-and-reporting-on-the-multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-map">https://www.rcc.int/docs/473/methodology-on-monitoring-and-reporting-on-the-multi-annual-action-plan-for-a-regional-economic-area-in-the-western-balkans-map</a>

<sup>&</sup>lt;sup>40</sup> Ibid, pg. 2

<sup>&</sup>lt;sup>41</sup> Ibid, pp. 2-3

<sup>&</sup>lt;sup>42</sup> The Sherpas are the Prime Minister's principal advisors following the Regional Economic Area and Berlin Process.

Furthermore, there is a lack of a scorecard to track the implementation of measures agreed in the REA Action Plan and the proposed progress indicators ("some level of preparation", "moderately prepared", "good level of preparation", etc.) lack the necessary detail to describe complex developments.<sup>43</sup>



<sup>&</sup>lt;sup>43</sup> RCC, Methodology on monitoring and reporting on the Multi-annual Action Plan for a Regional Economic Area in the Western Balkans (MAP), 2 July 2019, pp. 3-4

#### Implementation of MAP REA

The implementation of MAP REA has experienced many challenges. The ongoing bilateral disputes between Kosovo and Serbia and Kosovo and Bosnia and Herzegovina reduced the regional capacity to implement specific measures, thus affecting the overall implementation.<sup>44</sup> In the current context, regional cooperation cannot substitute for resolving bilateral disputes, and while bilateral tensions are ever-present, the pursuit of regional cooperation is difficult.

In addition to regional challenges, individual countries in the region also perform differently in the implementation of MAP REA. None of the WB6 has a fully functioning market economy, which has an impact on the implementation of components related to trade, investment, and digital integration.<sup>45</sup> Furthermore, the results and challenges are uneven across the region as each of the countries are at different stages of the EU integration process with some further ahead than others.

Technical assistance is also needed to support national administrations in implementing MAP REA measures. <sup>46</sup> Digital integration has been the most challenging component of the MAP REA, as it needs strong administrative capabilities, financial and technical assistance, and capital investment, especially for broadband infrastructure, which is lacking across the region. <sup>47</sup>

Among the individual countries of the Western Balkans, Bosnia and Herzegovina are unique due to their system of government making reforms much more challenging to implement. Serbia and Montenegro are in a more advanced stage in the areas of smart growth, trade, and investment reform.<sup>48</sup> While North Macedonia and Albania have been successful in setting the basis for digitisation and reforms on regulated professions and the mobility of researchers.<sup>49</sup>

<sup>&</sup>lt;sup>44</sup> Due to "difficult bilateral relations between Kosovo and Serbia and Bosnia and Herzegovina, regional initiatives have reached their limits." For more, see Balkans Group, Kosovo-Serbia Dialogue: Path to the Agreement, 5 October 2020, at <a href="https://balkansgroup.org/en/kosovo-serbia-dialogue-path-to-the-agreement/">https://balkansgroup.org/en/kosovo-serbia-dialogue-path-to-the-agreement/</a>

<sup>&</sup>lt;sup>45</sup> Interview with an expert on the RCC, Prishtina, 09 October 2020

<sup>&</sup>lt;sup>46</sup> RCC, Annual Report on Implementation of the Multi-annual Action Plan for a Regional Economic Area in Western Balkans, July 2019

 $<sup>^{</sup>m 47}$  Interview with an expert on the RCC, Prishtina, 09 October 2020

<sup>&</sup>lt;sup>48</sup> RCC, Annual Report on Implementation of the Multiannual Action Plan for f Regional Economic Area in Western Balkans, July 2019. pp. 17-23

<sup>&</sup>lt;sup>49</sup> Ibid.

#### Kosovo lags in all areas and its obstacles in the implementation of the MAP REA are twofold:

#### **Political Obstacles**

Kosovo's international status, including its non-recognition from two Western Balkans countries and five EU Member States, has prevented its membership in many international organisations and regional initiatives. For example, Kosovo is not an 'Associated Country' in the EU's research funding programme "Horizon 2020" and not a part of EURAXESS which lists research vacancies and fellowships throughout its member and associated countries.

50 Similarly, Kosovo's lack of an internet country code top-level domain due to its status, makes it difficult to integrate into GÉANT. This has a direct effect on its performance in the implementation of MAP REA.

On trade, it still needs to ratify and implement CEFTA's Additional Protocol 5 on trade facilitation, as well as Additional Protocol 6 on trade in services.<sup>52</sup> Lack of political stability and frequent elections complicate things, stalled the reform agenda, including trade-related issues due to tariffs imposed on Bosnia and Herzegovina and Serbia in 2019.<sup>53</sup>

#### Administrative/Technical Obstacles

Kosovo's institutions still lack experience in participating in numerous organisations and cooperating on regional projects and as a result, they lack the capacity to coordinate the work needed for the implementation of MAP REA.<sup>54</sup> Government officials work as part of an inter-institutional group including other line ministries and agencies to develop a common/joint position on a particular issue, which, in many instances, later need to be politically clarified and presented at the regional level.<sup>55</sup>

Kosovo's financial market also remains underdeveloped and is the only country in the Western Balkans which does not have a stock exchange.<sup>56</sup> Furthermore, Kosovo's capacities

<sup>&</sup>lt;sup>50</sup> European Commission Directorate-General for Research & Innovation, Horizon 2020 Associated Countries, at <a href="https://ec.europa.eu/research/participants/data/ref/h2020/grants\_manual/hi/3cpart/h2020-hi-list-ac\_en.pdf">https://ec.europa.eu/research/participants/data/ref/h2020/grants\_manual/hi/3cpart/h2020-hi-list-ac\_en.pdf</a>

GÉANT is a pan-European research and education network which interconnects Europe's National Research and Education Networks (NRENs) enabling collaboration on projects ranging from biological sciences, earth observation, to arts and culture. For more, see <a href="https://www.geant.org/About">https://www.geant.org/About</a>

<sup>&</sup>lt;sup>52</sup> European Commission, Kosovo\* 2020 Report, Brussels, 6 October 2020

Balkans Group, Kosovo 2020: A Complex Agenda for the New Government, 17 December 2019, at <a href="https://balkansgroup.org/en/kosovo-2020-a-complex-agenda-for-the-new-government-2/">https://balkansgroup.org/en/kosovo-2020-a-complex-agenda-for-the-new-government-2/</a>

<sup>&</sup>lt;sup>54</sup> Interview with an expert on the RCC, Prishtina, 09 October 2020

<sup>&</sup>lt;sup>55</sup> Ibid.

<sup>56</sup> There are six stock exchanges in the Western Balkans: Albania —Tirana Stock Exchange (XTIR), Bosnia and Herzegovina —Sarajevo Stock Exchange (XSSE) and Banja Luka Stock Exchange (XBLB), Montenegro — Podgorica Stock Exchange (XMNX), North Macedonia — Macedonia Stock Exchange (XMAE), and Serbia — Belgrade Stock Exchange (XBEL)

in science, technology and innovation are marked by a lack of investments, expertise, and inter-institutional coordination. Competencies for implementing innovation policy (the link between R&D policy and industrial policy) are fragmented between different line ministries and the Kosovo Investment and Enterprise Support Agency (KIESA).<sup>57</sup>

In the field of digital integration, Kosovo has carried out telecommunications mapping, including broadband, but there are still issues with the lack of connectivity in its rural areas. <sup>58</sup> However, there is an ongoing project to scale up Kosovo's broadband networks to rural areas by 2023, funded by the World Bank. <sup>59</sup> Whereas, the introduction of the digital switchover in Kosovo has failed to make any meaningful progress. <sup>60</sup> As such, older analogue television broadcasting technology has yet to be replaced by digital television transmission.

KOSOVO'S STATUS IN REA COMPONENTS*			
TRADE	The 100% import tax imposed on trade with Serbia and Bosnia and Herzegovina on 21 November 2018 was against CEFTA rules causing difficulties in achieving objectives in this component. The tax also had political spillover effects to other components and its implementation.		
INVESTMENT	<ul> <li>The Investment Reform Action Plan (IRAP) was adopted in March 2019 by Government Decision.</li> <li>To enable the implementation of IRAP, Kosovo has established a working group in charge of implementing agreed investment reforms as of November 2018 and includes relevant institutions, civil society, and business associations.</li> <li>In investment promotion, automotive light manufacturing has been targeted as a priority sector, along with ICT, with Germany, Austria, and Switzerland selected as target markets for investor outreach.</li> <li>Kosovo has prepared an investment entry and establishment analysis and identified the main barriers. It is also working on the extensive analysis of investment protection and retention with technical assistance from the World Bank.</li> <li>In terms of the financial market development, Kosovo's investment policy and legal framework would benefit from further upgrading, with a particular focus on harmonisation with the EU, and establishing investment protection mechanisms within the scope of International Investment Agreements (IIA).</li> <li>Kosovo does not have a capital market; its establishment and the enabling of securities trading would help expand and diversify access to finance.</li> <li>Kosovo lacks preparation for a smart growth strategy and is well behind other WB6 countries in this area.</li> </ul>		

<sup>&</sup>lt;sup>57</sup> Innovation policy is the link between R&D policy and industrial policy and seeks to create a framework for bringing ideas to the market.

<sup>&</sup>lt;sup>58</sup> Kosovo's Electronic Atlas is available at <a href="https://broadband.rks-gov.net/med-atlas/">https://broadband.rks-gov.net/med-atlas/</a>

<sup>&</sup>lt;sup>59</sup> The Kosovo Digital Economy (KODE) project, supported by the World Bank, will scale-up and extend broadband infrastructure to 200 villages, with a total population of around 60,000 people by 2023. For more, see <a href="https://projects.worldbank.org/en/projects-operations/project-detail/P164188">https://projects.worldbank.org/en/projects-operations/project-detail/P164188</a>

<sup>&</sup>lt;sup>60</sup> European Commission, Kosovo\* 2020 Report, Brussels, 6 October 2020

#### **MOBILITY**

- All the WB economies, apart from Kosovo, have their representatives in the European Strategy Forum on Research Infrastructures (ESFRI). Kosovo is yet to take the first formal steps to initiate the process.
- All the WB economies, apart from Kosovo, have established the EURAXESS Service Centres
  and associated EURAXESS Jobs Portals, yet there is little information on available
  researcher job vacancies in the region.
- In Kosovo, the expansion of broadband infrastructure is progressing very wellimplemented in around 40 villages.
- The Electronic Atlas for broadband infrastructure is operational, and a loan from the World Bank (20.7 million Euro for investment in broadband during 2019-2023) has been approved by the Assembly.
- The WB6 is working toward the establishment of the Broadband Competence Office (BCO)/BCO Contact Points. The BCO is established in Kosovo as part of the Ministry of Economy and Environment.

#### DIGITAL

- Kosovo is the only country in the region not to have completed the regional interconnection and integration into pan-European GÉANT. However, some progress has been noted, as Kosovo completed a feasibility study for connecting to the GÉANT network.
- Exchange of information on cyber threats has gained great attention in the Western
   Balkans. In Kosovo, the platform for receiving and recording the various incidents related to the security of networks and electronic communications services is operational.
- Kosovo is undertaking concrete activities to bridge the digital and business skills gap as part of the IPA 2017 funded project "EU Support for the Competitiveness of Kosovo's ICT Sector" (€3 million, starting in 2019 for a period of 3 years).
- As part of KODE project supported through a loan from the World Bank, €1.65 million will be invested in training Kosovo's young people and their connection to online working opportunities, primarily focused on unemployed or underemployed young men and women.

\*Table compiled from RCC, Annual Report on Implementation of the Multiannual Action Plan for a Regional Economic Area in Western Balkans, July 2019 (The RCC has not published any new reports since then)

During the Juncker Commission, the European Commission was closely involved in monitoring the MAP REA as it wanted concrete deliverables before the 2019 Berlin Process Summit in Poznan, Poland. The then-Commissioner for European Neighbourhood Policy and Enlargement Negotiations Johannes Hahn sent letters to leaders of the WB6 emphasising areas each country should focus on vis-à-vis implementation of MAP REA.<sup>61</sup> This was partially successful following the signing of the Regional Roaming Agreement (RRA) and its subsequent presentation at the 2019 Poznan Summit. However, the Mutual Recognition of Professional Qualifications was removed from the agenda as Serbia withdrew due to fundamental disagreement regarding Kosovo.<sup>62</sup>

<sup>&</sup>lt;sup>61</sup> Interview with an expert on the RCC, Prishtina, 09 October 2020

<sup>62</sup> Western Balkans Summit Poznan, Chair's conclusions on 5 July 2019 at https://www.premier.gov.pl/files/files/chairs\_conclusions.

#### THE "MINI-SCHENGEN"

On 10 October 2019, in Novi Sad, Serbia, a new parallel process began as the Serbian President Aleksandar Vučić, Albanian Prime Minister Edi Rama and North Macedonian Prime Minister Zoran Zaev announced the so-called "mini-Schengen" seeking to establish the free movement of people, goods, services and capital in the Western Balkans using only ID cards by the end of 2021.<sup>63</sup> The initiative was supported by the Special Envoy for the Western Balkans and US Ambassador to Germany, Richard Grenell who issued a statement calling for the inclusion of Kosovo for this initiative to be successful.<sup>64</sup> Further meetings were held on 10 November 2019 in Ohrid, North Macedonia, and on 21 December 2019 in Tirana, Albania to discuss proposals for achieving the 'four freedoms' including the adoption of a framework agreement for civil emergencies known as the Durres Protocol.<sup>65</sup>

#### Within the so-called "mini-Schengen", the following steps have been taken so far:66

- Memorandum for Free Movement of people using only ID cards and unification of the procedures for issuance of work permits for all citizens in the WB countries
- 24-hour functioning of the border controls for phytosanitary and veterinary controls.
- Completed negotiations between North Macedonia and Serbia and for the construction of new border crossing Lojane – Miratovac,
- The agreement between the customs administrations of North Macedonia and Albania for a One-Stop-Shop on the border crossing Kjafasan, and with Serbia on the border crossing Tabanovce with the objective of becoming a Non-Stop-Shop (border crossings without stops).
- The introduction of a paperless system to simplify customs procedures.

pdf

<sup>&</sup>lt;sup>63</sup> President Vučić: "The document you will see is based on the freedom of movement of capital, goods, services and people."

For more, see <a href="https://www.predsednik.rs/en/press-center/news/president-vucic-meets-the-prime-minister-of-the-republic-of-north-macedonia-and-the-prime-minister-of-the-republic-of-albania">https://www.predsednik.rs/en/press-center/news/president-vucic-meets-the-prime-minister-of-the-republic-of-north-macedonia-and-the-prime-minister-of-the-republic-of-albania</a>

<sup>&</sup>lt;sup>64</sup> US Embassy & Consulates in Germany, "Statement on Western Balkans Mini-Schengen", 14 November 2019, at <a href="https://de.usembassy.gov/statement-on-western-balkans-mini-schengen/">https://de.usembassy.gov/statement-on-western-balkans-mini-schengen/</a>

<sup>65</sup> Government of the Republic of North Macedonia, "Press Conference of WB Leaders in Tirana", 26 December 2019, at <a href="https://vlada.mk/node/19902?ln=en-gb">https://vlada.mk/node/19902?ln=en-gb</a>

<sup>&</sup>lt;sup>66</sup> Ibid.

Kosovo had refused to join due to its non-recognition by Serbia and Bosnia and Herzegovina.<sup>67</sup> Furthermore, there were concerns that the Serbian market would dominate its economy and the initiative was labelled a "mini-Yugoslavia led by Serbian President Vučić". <sup>68</sup> Montenegro and Bosnia and Herzegovina attended these meetings although stated that they are focused on joining the European Union.<sup>69</sup>

On 4 September 2020, at the White House Summit in Washington, Kosovo and Serbia each signed Economic Normalisation Agreements, a pair of documents, differing on the final point regarding Israel.<sup>70</sup> Through the agreement, Kosovo agreed to become part of the "mini-Schengen" and agreed to implement highway, rail links and flight route agreements with Serbia.<sup>71</sup> Soon after, on 14 October 2020, Serbia began to implement the Integrated Border Management Agreement at the Merdare border crossing point, between Kosovo and Serbia, the functionalisation of which was also part of the agreements.<sup>72</sup>

After meetings on the "mini-Schengen" were postponed due to the COVID-19 pandemic, the initiative was renewed on 30 October 2020, where the three leaders of Serbia, Albania and North Macedonia held a video meeting and stated that "the initiative is fully in line with the Berlin Process".<sup>73</sup> They also agreed to form a permanent working group with government representatives from each of the participating countries "to speed up the process of signing and implementing agreed activities".<sup>74</sup> On 9 November 2020, at an online summit organized as part of the "mini-Schengen" initiative, the leaders of Serbia, Albania and North Macedonia

<sup>&</sup>lt;sup>67</sup> President of Kosovo Hashim Thaçi: "Kosovo does not want to exchange its Euro-Atlantic perspective for a regional one". For more, see <a href="https://europeanwesternbalkans.com/2019/11/10/leaders-agree-on-further-steps-towards-mini-schengen-in-ohrid/">https://europeanwesternbalkans.com/2019/11/10/leaders-agree-on-further-steps-towards-mini-schengen-in-ohrid/</a>

<sup>68</sup> Leader of the LDK – Democratic League of Kosovo, Isa Mustafa: "At first glance, they seem like attractive proposals, but in essence, they lead to a new Yugoslavia, with Albania but without Croatia and Slovenia. They are ideas that we have not supported during our time in government, and we as the Democratic League of Kosovo will not support them, neither in government nor as part of the opposition.". See, Prishtina Insight "Kosovo reluctant to join 'Balkan mini-Schengen'", 13 November 2019, at <a href="https://prishtinainsight.com/kosovo-reluctant-to-join-balkan-mini-schengen/">https://prishtinainsight.com/kosovo-reluctant-to-join-balkan-mini-schengen/</a>

<sup>&</sup>lt;sup>69</sup> Euronews, "Western Balkan leaders plot their own 'mini-Schengen' zone", 11 November 2019, at <a href="https://www.euronews.com/2019/11/11/">https://www.euronews.com/2019/11/11/</a> western-balkan-leaders-plot-their-own-mini-schengen-zone

Nosovo and Israel agreed to mutually recognise each other. While Serbia agreed to open a commercial office, and a ministry of state offices in Jerusalem on September 20, 2020, and move its Embassy to Jerusalem by 1 July 2021. For more, see <a href="https://www.whitehouse.gov/briefings-statements/remarks-president-trump-president-vucic-serbia-prime-minister-hoti-kosovo-trilateral-meeting/">https://www.whitehouse.gov/briefings-statements/remarks-president-trump-president-vucic-serbia-prime-minister-hoti-kosovo-trilateral-meeting/</a>

<sup>&</sup>lt;sup>71</sup> For a full breakdown of the agreements see, Balkan Insight, "Is the Kosovo-Serbia 'Deal' Worth the Paper It's Written On?", 10 September 2020, at <a href="https://balkaninsight.com/2020/09/10/birn-fact-check-is-the-kosovo-serbia-deal-worth-the-paper-its-written-on/">https://balkaninsight.com/2020/09/10/birn-fact-check-is-the-kosovo-serbia-deal-worth-the-paper-its-written-on/</a>

<sup>&</sup>lt;sup>72</sup> In 2011, Kosovo and Serbia reached the Agreement on Integrated Border Management (IBM) as part of the EU-facilitated dialogue in Brussel agreeing to build and staff a common permanent border crossing, but Serbia had continuously refused to implement it. For more, see Gazeta Express, "Serbia finally recognises Kosovo border by staffing Common Border Crossing Point at Merdare", 14 October 2020, at <a href="https://www.gazetaexpress.com/serbia-finally-recognizes-kosovo-border-by-staffing-common-border-crossing-point-facility-at-merdare/">https://www.gazetaexpress.com/serbia-finally-recognizes-kosovo-border-by-staffing-common-border-crossing-point-facility-at-merdare/</a>

<sup>&</sup>lt;sup>73</sup> European Western Balkans, "Vučić, Zaev and Rama held a video meeting on 'mini-Schengen'", 30 October 2020, at <a href="https://europeanwesternbalkans.com/2020/10/30/vucic-zaev-and-rama-held-a-video-meeting-on-mini-schengen/">https://europeanwesternbalkans.com/2020/10/30/vucic-zaev-and-rama-held-a-video-meeting-on-mini-schengen/</a>

<sup>&</sup>lt;sup>74</sup> Ibid.

signed a memorandum of understanding to cooperate in the fight against the coronavirus pandemic and enabling border crossing with ID cards.<sup>75</sup> In addition, the citizens of the three countries will be able to be treated for free in any of the three countries if they are infected with COVID-19.<sup>76</sup>

Unlike other previous regional initiatives which included all six countries from the very beginning, the "mini-Schengen" did not have the same consensus. It failed to build its case and attract political support as an initiative on its own. Furthermore, the political context during the time was very tense due to the EU's refusal to open membership negotiations with Albania and North Macedonia.<sup>77</sup> The urgency under which all these declarations were unfolding did not allow enough time to properly prepare the political terrain to entice other Western Balkan countries which were on the fence about joining. As such, this initiative was received with a lot of scepticism not only from Kosovo but from Bosnia and Herzegovina and Montenegro as well.<sup>78</sup>

Bosnia and Herzegovina were on the fence and observant as with other regional initiatives due to their internal divisions.<sup>79</sup> This initiative would have a direct effect on relations between Kosovo and Bosnia and Herzegovina, where the latter does not recognise the former.<sup>80</sup> Montenegro's position was vague from the start; their representative attended the meetings in Ohrid and Tirana and claimed they needed more time to study the implications it could have for Montenegro's EU accession process.<sup>81</sup> As a small country, it cannot afford to divert its resources from EU integration towards deepening regional integration.<sup>82</sup>

<sup>&</sup>lt;sup>75</sup> European Western Balkans, "North Macedonia, Albania and Serbia signed a memorandum to fight coronavirus", 9 November 2020, at <a href="https://europeanwesternbalkans.com/2020/11/09/north-macedonia-albania-and-serbia-signed-a-memorandum-to-fight-coronavirus/">https://europeanwesternbalkans.com/2020/11/09/north-macedonia-albania-and-serbia-signed-a-memorandum-to-fight-coronavirus/</a>

<sup>&</sup>lt;sup>76</sup> Ibid.

<sup>&</sup>lt;sup>77</sup> BBC, "EU blocks Albania and North Macedonia membership bids", 18 October 2019, at <a href="https://www.bbc.com/news/world-europe-50100201">https://www.bbc.com/news/world-europe-50100201</a>

<sup>&</sup>lt;sup>78</sup> Kosovo's President Hashim Thaçi stated that "meetings are 'meaningless' as long as Serbia and Bosnia-Herzegovina do not recognise Kosovo's independence." For more, see <a href="https://europeanwesternbalkans.com/2019/11/10/leaders-agree-on-further-steps-towards-mini-schengen-in-ohrid/">https://europeanwesternbalkans.com/2019/11/10/leaders-agree-on-further-steps-towards-mini-schengen-in-ohrid/</a>

<sup>&</sup>lt;sup>79</sup> With the 1995 Dayton Agreement, it is required for all three entities (Bosniak/Serb/Croat) in BiH to agree to any major foreign policy issue.

<sup>&</sup>lt;sup>80</sup> Kosovar citizens require a visa to enter Bosnia and Herzegovina since 2008, which are issued on a separate paper. Kosovo reciprocated the visa policy in 2011.

<sup>&</sup>lt;sup>81</sup> Montenegro's Minister of Economy has stated that, within the context of international organisations and programs, the country has already fulfilled a significant part of what is included in the "mini-Schengen" initiative. For more, see Balkan Insight, "Montenegro Rejects Balkan 'Mini Schengen' Proposal", 12 November 2019, at <a href="https://balkaninsight.com/2019/11/12/montenegro-rejects-balkan-mini-schengen-proposal/">https://balkaninsight.com/2019/11/12/montenegro-rejects-balkan-mini-schengen-proposal/</a>

<sup>82</sup> Montenegro has up to now opened all 35 chapters in their EU negotiations and provisionally closed three, making it the first among those still negotiating (Serbia and Turkey). For more, see <a href="https://ec.europa.eu/neighbourhood-enlargement/countries/detailed-country-information/montenegro\_en">https://ec.europa.eu/neighbourhood-enlargement/countries/detailed-country-information/montenegro\_en</a>

Now that Kosovo has agreed to join the "mini-Schengen", Bosnia and Herzegovina is under pressure to join. Furthermore, depending on which coalition forms the next government in Montenegro following the outcome of its 2020 parliamentary elections there may be a change in its stance to the initiative. The opposition, which includes political parties with pro-Serbia stances and oriented towards pro-Serbian voters, would likely seek closer relations with Serbia and be open to the possibility of joining the "mini-Schengen" as a result.<sup>83</sup>

### THE COMMON REGIONAL MARKET (CRM)

The support of the US for the "mini-Schengen" pushed the EU and RCC to take a more proactive role in several of the same areas included in the initiative and agreed through US-mediated talks at the White House Summit in September 2020. As a result, the Common Regional Market (CRM) Action Plan takes on similar issues addressed by the "mini-Schengen", specifically those related to 'four freedoms' of the European Single Market, which were also partly included in CEFTA and MAP REA, creating "a complimentary bridge between the regional initiatives".<sup>84</sup>

The **Common Regional Market (CRM)** aims to create a regional market based on EU rules and procedures and bring the Western Balkans closer to the European Single Market and was endorsed by the leaders of Western Balkans Six at the Berlin Process Summit in Sofia, Bulgaria on 10 November 2020.<sup>85</sup> The initiative builds upon the achievements and lessons learned from the Regional Economic Area (REA), which had mixed results in implementation.

The new **Action Plan for a Common Regional Market (CRM)** to be implemented by the end of 2024 involves several actions in four key areas: 86

<sup>&</sup>lt;sup>83</sup> The results of the August 2020 parliamentary elections resulted in a slender win for the opposition ending the near 30-year rule of Milo Đukanović's ruling party, the Democratic Party of Socialists (DPS). For more, see Euronews, "Montenegro election: Who are the triumphant opposition factions and what do they stand for?", 2 September 2020, at <a href="https://www.euronews.com/2020/09/02/montenegro-election-who-are-the-triumphant-opposition-factions-and-what-do-they-stand-for-">https://www.euronews.com/2020/09/02/montenegro-election-who-are-the-triumphant-opposition-factions-and-what-do-they-stand-for-</a>

<sup>&</sup>lt;sup>84</sup> Statement by Minister of Foreign Affairs of North Macedonia Bujar Osmani at the Berlin Process Think Tank and Civil Society Forum Sofia 2020, 9 November 2020 at <a href="https://ecfr.eu/event/berlin-process-think-tank-and-civil-society-forum-sofia-2020/">https://ecfr.eu/event/berlin-process-think-tank-and-civil-society-forum-sofia-2020/</a>

<sup>&</sup>lt;sup>85</sup> RCC, "Common Regional Market", at <a href="https://www.rcc.int/pages/143/common-regional-market">https://www.rcc.int/pages/143/common-regional-market</a>

<sup>86</sup> RCC, Common Regional Market Action Plan, 9 November 2020, at <a href="https://www.rcc.int/docs/543/common-regional-market-action-plan">https://www.rcc.int/docs/543/common-regional-market-action-plan</a>

1	Regional Trade Area	Free movement of goods, services, capital, and people, including cross-cutting measures, such as the Green Lanes, to align with EU-compliant rules and standards and provide opportunities for companies and citizens.
2	Regional Investment Area	Align investment policies with the EU standards and best international practices and promote the region to foreign investors.
3	Regional Digital Area	Integrate the Western Balkans into the pan-European digital market.
4	Regional Industrial and Innovation Area	Transform the industrial sectors, shape value chains they belong to.

# By implementing actions in the four key areas above, the Common Regional Market seeks to:87

AREAS	AIM
Regional Trade Area	
	- Mutual recognition of certificates and testing results for industrial and agricultural
	products; Authorised Economic Operators (AEOs); professional qualifications; and
	licenses in tourism, selected financial services and other key services sectors.
	- Establish a regional e-commerce market by adopting core harmonised rules and
	internal market principle, by facilitating customs clearance of parcels and by removing geo-blocking.
	- Adopt Green Lanes and make services available 24/7 at an expanded network of
	BCPs/CCPs and introduce the Green Lanes on BCPs with the EU.
	- Expand and improve CEFTA Risk Management and systematic exchange of electronic
	data (SEED) to all agencies involved in the clearance of goods.
	- Establish one-stop-shops at selected crossing points and decrease waiting times at
	BCPs/CCPs to 70% of current waiting times.
	- Introduce joint procedures on tariff monitoring and other measures facilitating parcel
	delivery service.
	- Adopt services trade liberalisation package to, inter alia, enable the supply of services
	without obligatory establishment and authorisation, in line with Chapter 3 of the EU acquis.
	- Adopt new, more efficient rules on dispute settlement and resolution of non-tariff
	barriers in CEFTA.
	<ul> <li>Reduce the costs of regional payments and prepare for joining the Single Euro Payment Area (SEPA).</li> </ul>
	- Enable mobility for students, researchers, and professors.
	- Introduce freedom of movement based on IDs within the Western Balkans Six.
	- Remove work permits for intracompany transfers and contractual service providers.
	- Enable portability of social rights.

<sup>&</sup>lt;sup>87</sup> Ibid.

## Regional Investment Area

- Conduct a regional investment promotion campaign through the cooperation of the region's investment promotion agencies for retention and promotion.
- Develop regional guidance criteria and procedures for screening mechanisms at the economy level for quick reaction to FDI concerns based on the emerging EU standards and policy and considering the individual economy and region's policy priorities.
- Attract new investment leads in promising sustainable regional value chains for the WB6 region.
- Conclude economy-specific International Investment Agreements (IIAs) between EU and each of Western Balkans Six.

#### **Regional Digital Area**

- Provide fixed broadband internet access for at least 95% of the households as well as at least 90% of the households with the speed of at least 30Mbps in each economy.
- Establish free-roaming region and reduce roaming charges between Western Balkans and the EU.
- Establish a regionally coordinated process of spectrum harmonisation of European 5G pioneer bands and apply a coordinated approach in the process of awarding 5G radio frequencies and regional 5G piloting.
- Develop digital skills strategies to support uptake in digital skills and support digital upskilling and reskilling.

### Regional Industrial and Innovation Area

- Integration of the region into the European Research Area.
- Support the implementation of different actions steaming from the Agenda for the Western Balkans on Innovation, Research, Education, Culture, Youth and Sport which the European Commission is planning to adopt during the first semester of 2021.
- Launch regional start-up and early-stage innovation support scheme, blending public and private sector financing.
- Create a regional Network of Digital Innovation Hubs.
- Upgrade regional SME online platform to support the innovation and internationalisation of SMEs.
- Conclude regional Supply Chain Protocols in select industries/value chains.
- Map out and upgrade automotive supply chains in the region to mitigate industry disruptions.
- Develop new regional value chains in the green and circular economy to seize yet untapped potential.
- Develop packaged tourism offer for the region and conduct joint promotional efforts.
- Support the development of the agro-food industry in the region in line with the EU standards.
- Support the development of regional creative industries.
- Enhance the competitiveness and energy efficiency of the metal processing industry.
- Create a Regional Diaspora Knowledge Transfer Initiative to tap into the potential of the region's diaspora and encourage brain circulation.
- Facilitate the establishment of Green Start-up Western Balkans Network to accelerate the growth of a green economy.
- Set up Regional Network of Women in STEM for the Next Decade to encourage increased participation of girls and women in STEM education and careers.
- Create Western Balkans Women Entrepreneurs Network to encourage women to pursue entrepreneurship careers.
- Adopt a framework for mutual recognition of electronic signatures as well as other forms of eIDs and trust services based on the relevant EU acquis.
- Align regional actions to ensure the protection of personal data and privacy in Western Balkans.

A methodology for monitoring and reporting which has yet to be developed is expected to include "a dynamic scorecard, designed to reflect changes in real-time; and allow stakeholders, including citizens, to provide input on the effectiveness of steps taken."88

In addition to the Common Regional Market, The Green Agenda for the Western Balkans, envisaged by the European Green Deal, was also endorsed at the Summit in Sofia, on 10 November 2020, by leaders of the Western Balkans and which will be supported by the Economic and Investment Plan for the Western Balkans adopted by the European Commission on 6 October 2020.<sup>89</sup>



Like its predecessor, the **Regional Economic Area**, the main challenge to the **Common Regional Market** remains its implementation. As the bulk of these issues are technical, they need to be considered well by the WB6 to prepare for gradual implementation in the national context. This is easier said than done as most of the problems between Kosovo and Serbia and Kosovo and Bosnia and Herzegovina are technical issues which require political resolutions.<sup>91</sup>

<sup>&</sup>lt;sup>88</sup> RCC, Common Regional Market Action Plan, 9 November 2020, at <a href="https://www.rcc.int/docs/543/common-regional-market-action-plan">https://www.rcc.int/docs/543/common-regional-market-action-plan</a>

<sup>&</sup>lt;sup>89</sup> RCC, Green Agenda for the Western Balkans, 10 November 2020, at <a href="https://www.rcc.int/docs/548/green-agenda-for-the-western-balkans">https://www.rcc.int/docs/548/green-agenda-for-the-western-balkans</a>

<sup>&</sup>lt;sup>90</sup> European Commission, Guidelines for the Implementation of the Green Agenda for the Western Balkans, 6 October 2020, at <a href="https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/green\_agenda\_for\_the\_western\_balkans\_en.pdf">https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/green\_agenda\_for\_the\_western\_balkans\_en.pdf</a>

<sup>&</sup>lt;sup>91</sup> Issue such as vehicle registration plates, rules of origin, waiting for stamps at borders, diplomas from accredited universities in Kosovo etc.

The **Common Regional Market** will find it difficult to surmount the existing bilateral disputes between countries of the WB6. Bilateral disputes still need to be resolved and barriers lifted. In addition, governments struggle to live up to their agendas, and they are vulnerable to internal struggles. Without addressing these issues, the **CRM** will be stuck and share the same fate as other regional initiatives.

#### **COMPARATIVE ANALYSIS**

All of the three regional initiatives — the Regional Economic Area, the "mini-Schengen" and the Common Regional Market, in one way or another, seek to regionally replicate the 'four freedoms' of the European Union in the Western Balkans and differ in form, not substance. However, unlike the "mini-Schengen", the Common Regional Market and the Regional Economic Area are inherently linked with one another and certain measures of the former build upon those of the latter.

On trade, all of them aim to ensure the free flow of goods, services, investments, and skilled people without tariffs, quotas, or other unnecessary barriers. In this regard, the "mini-Schengen" intends to facilitate this by using ID cards, a concept which has also been adopted by the more recent Common Regional Market.

While all seek to make the region more attractive for investments, only the **REA** includes specific measures such as the Regional Investment Reform Agenda (RIRA) which aims to enhance entry and establishment opportunities for investors. As a successor to the **REA**, the **Common Regional Market** builds upon this by seeking to harmonise investment policies with EU standards and establish a Regional Investment Area. Similarly, in digital integration, the **REA** sought to develop the region's digital infrastructure and improve regional connectivity culminating in the Regional Roaming Agreement which reduced the cost of roaming services in public mobile communications networks in the Western Balkans region. Expanding upon this, the **CRM** aims to establish a Regional Digital Area to integrate the Western Balkans into the pan-European digital market. On the other hand, the "**mini-Schengen**" is less specific or has yet to address these areas.

Yet, it remains to be seen how the 'four freedoms', which requires sufficient financial means and adequate regulations and institutions in place, will be achieved in the Western Balkans and bring about fundamental change of political and economic.

	MAP REA	Mini-Schengen	Common Market (REA II)
Trade	Free flow of goods, services, investments, and skilled people without tariffs, quotas or other unnecessary barriers. Trade facilitated higher than WTO Rules, aiming at recognition of all border documents, where applicable (as specified in CEFTA's Additional Protocol 5).	Free flow of goods, services, investments and skilled people facilitated by 24 hours functioning of the border controls for phytosanitary and veterinary controls, One-Stop Shops on border crossing with the objective of becoming Non-Stop Shops (border crossings without stops) and a paperless system to simplify customs procedures.	Free movement of goods, services, capital, and people on the basis of ID cards, including cross-cutting measures such as 'Green Lanes/Corridors'.
Investment	Regional Investment Reform Agenda (RIRA) which aims to enhance entry and establishment opportunities for investors. Improve business establishment policies and procedures, strengthen investment retention mechanisms in the region and develop regional investment promotion initiatives.	N/A	Establishment of a Regional Investment Area and harmonisation of investment policies with EU standards.
Mobility	Removing obstacles to the mobility of students, researchers and professionals, through mutual recognition of academic and professional qualifications in sectors of interest (Doctors of Medicine, Dentists, Architects and Civil Engineers) through joint standards and procedures for automatic recognition of academic qualifications.	Free movement of people using only ID cards and unification of procedures for issuance of work permits for all citizens in the Western Balkan countries.	Free movement of people on the basis of IDs, including the mutual recognition of academic and professional qualifications for certain professions.
Digital	Digital infrastructure development and improved regional connectivity, including harmonised spectrum policies. Roaming free region, enhanced cybersecurity, trust services and data protection.	N/A	Digital infrastructure development and improved regional connectivity, including harmonised spectrum policies. Roaming free region, enhanced cybersecurity, trust services and data protection.
Infrastructure	Highway and rail links within the region and with the EU.	Construction of new border crossing Lojane – Miratovac between North Macedonia and Serbia.	N/A
Industry and Innovation	N/A	N/A	Establishment of a Regional Innovation and Industrial Area to shape value chains;

# CONCLUSION — Support common regional agendas and avoid unilateral processes

Regional cooperation corresponds to a commitment made by the countries of the region at the 2000 EU–Western Balkans Summits in Zagreb and Thessaloniki in 2003. Regional cooperation is also a specific requirement under the Stabilisation and Association Agreements, which are already in place with the WB6.

While regional initiatives have stimulated cooperation in the Western Balkans and facilitated communications, they have done little to help in bringing the region closer to the European Union so far or improve the social, political, and economic environment. Due to unresolved bilateral disputes, they have produced only limited results. As such, resolving conflicts of the past remains the main prerequisite for progress on regional cooperation in the Western Balkans. So far, no genuine efforts have been made on reconciliation and many previous regional initiatives have largely failed to build peace and foster cooperation.

Bilateral disputes between Kosovo and Serbia, and Kosovo and Bosnia and Herzegovina to a lesser extent, dominate the Western Balkans. Yet, new issues have recently come to the fore after Bulgaria blocked North Macedonia from progressing towards EU membership.

To avoid the fate of previous initiatives and forge long term links between the countries in the Western Balkans it is important to blend the "mini-Schengen" and REA, and now the CRM, into one agenda with the coordination of the EU, the Member States and the US, by supporting a common and one set of regional agendas. The "mini-Schengen" was unilaterally launched by the leaders of Serbia, Albania, and North Macedonia. Yet the initiative gained impetus following US support. As such, it is tied to the position of the new US administration under President Joe Biden, which will determine its fate. The position of the new administration on those points is yet to be known. Nevertheless, it is clear that the new officials in Washington DC will seek "reverse the Trump Administration's imbalanced approach toward Kosovo and Serbia and work closely with the EU to achieve a mutual recognition agreement". Governments of the Western Balkans should avoid a repeat of the unilateral formations similar to the "mini-Schengen" and seek the support of all countries by crafting them from bottom up before the leaders speak about them loudly.

There have already been indications and attempts to reconcile the two initiative already as the leaders of Serbia, Albania and North Macedonia have stated that it is "fully in line with the Berlin Process". With the November 2020 Berlin Process Summit in Sofia, Bulgaria, the 'four freedoms' of the "mini-Schengen" have been incorporated into the Common Regional Market which serves to create "a complimentary bridge between the regional initiatives" and fully in line with the EU acquis.

However, the integration of the old, new and parallel initiatives will also require integration of a policy approach, first among the EU Member states, between the EU and US, and of those two and the whole Western Balkans Six. The governments of Albania, Serbia, North Macedonia, Kosovo, Montenegro and Bosnia and Herzegovina should take the initiative and promote cooperation among themselves, and partners should support initiatives that increase cohesion and streamline cooperation. Different sets of cooperation and agendas will confuse the citizens, offer space to undermine (commitment to) cooperation and fail to measure progress.

#### KEY REGIONAL ORGANISATIONSAND INITIATIVES, AND KOSOVO'S MEMBERSHIP AND PARTICIPATION

Year	Name	Members	Kosovo joined
1989	Central European Initiative	Hungary, Italy, Poland, Bosnia and Herzegovina, Croatia, Slovenia, Czech Republic, North Macedonia, Slovakia, Albania, Belarus, Bulgaria, Romania, Ukraine, Moldova, Montenegro, Serbia	1
1992	Black Sea Economic Cooperation	Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, Ukraine, Serbia, North Macedonia	1
1996	SEE Defence Ministerial	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Georiga, Greece, Italy, Montenegro, Romania, Serbia, Slovenia, North Macedonia, Turkey, Ukraine, the United States, Moldova (Observer)	1
1996	South-East European Cooperation Process	Albania, Bosnia and Herzegovina, Bulgaria, Greece, North Macedonia, Romania, Serbia, Turkey, Croatia, Moldova, Montenegro, Slovenia	2014
1999	Southeast European Law Enforcement Centre	Albania, Bosnia and Herzegovina, Bulgaria, Greece, Hungary, Moldova, Montenegro, North Macedonia, Romania, Serbia, Turkey	1
1999	Stability Pact for Southeastern Europe	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Moldova, Montenegro, Romania, Serbia, Ukraine (Observer)	1
		Supporting partners: Japan, Norway, Russia, Turkey, Switzerland, United States, EU Member States	
1999	Adriatic and Ionian Initiative	Greece, Italy, Croatia, Slovenia, Albania, and Bosnia and Herzegovina	1
2000	Regional Anti-corruption Initiative	Albanian, Bosnia and Herzegovina, Bulgaria, Croatia, Moldova, Montenegro, North Macedonia, Romania, Serbia	1
2000	Disaster Preparedness and Preventition Initiative SEE	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Montenegro, Romania, Serbia, Slovenia, Turkey	1
2000	RACVIAC - Centre for Security Cooperation	Albania, Bosnia and Herzegovina, Croatia, Greece, North Macedonia, Montenegro, Romania, Serbia, Turkey	2014
		Associate Members: Austria, Czech Republic, Denmark, France, Germany, Hungary, the Netherlands, Norway, Russia, Slovenia, Spain, Sweden, the United Kingdom	
		Observers: Canada, Moldova, Poland, Slovakia, Ukraine, the United States	
2000	SEE Health Network	Albania, Bosnia and Herzegovina, Bulgaria, Israel, Moldova, Montenegro, North Macedonia, Romania, Serbia	1
2002	Southeast Europe Police Chiefs Association	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Moldova, Montenegro, Romania, Serbia	1
2003	Southeast European Prosecutors Advisory Group	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Hungary, North Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia and Turkey	1

2003	The United States-Adriatic Charter  Albania, Croatia, North Macedonia, Bosnia and Herzegovina, Montenegro, the United States, Serbia (Observer)		2012 (Observer)
2003	EU-WB Foreign Affairs and JHA Ministerial Forum	1	2003
2004	South East Europe Transport Observatory	Albania, Bosnia and Herzegovina, Croatia, North Macedonia, Montenegro, Serbia	2004
2004	Migration, Asylum and Refugee Regional Initiative	Albania, North Macedonia, Bosnia and Herzegovina, Serbia, Montenegro	2014
2004	Education Reform Initiative of South Eastern Europe	Albania, Bosnia and Herzegovina, Croatia, North Macedonia, Moldova, Montenegro, Serbia	1
2004	Cetinje Parliamentary Forum	Albania, Bosnia and Herzegovina, Montenegro, Greece, Croatia, Macedonia and Serbia	1
2005	International Sava River Basin Commission	Bosnia and Herzegovina, Serbia, Slovenia, Croatia	1
2005	Council of Ministers of Culture of SEE	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Montenegro, Republic of Moldova, Romania, Serbia, North Macedonia, Turkey	1
2006	CEFTA	North Macedonia, Albania, Bosnia and Herzegovina, Moldova, Montenegro, Serbia	2007 (UNMIK as Kosovo representative)
2006	Centre of Public Employment Services of SEE Countries	Bosnia and Herzegovina, Bulgaria, Croatia, North Macedonia, Montenegro, Romania, Serbia, Slovenia, Turkey, Hungary	1
2006	Energy Community Secretariat	Albania, Bosnia and Herzegovina, North Macedonia, Moldova, Montenegro, Serbia, Ukraine, Georgia, Armenia (Observer), Norway (Observer), Turkey (Observer)	2006
2006	European Common Aviation Area	27 EU Member States, the European Union, Albania, Bosnia and Herzegovina, Croatia, Iceland, Montenegro, North Macedonia, Norway, Serbia	2006 (UNMIK as Kosovo representative).
2006	Secretariat of Police Cooperation  Convention for SEE	Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Moldova, Montenegro, North Macedonia, Romania, Serbia, Slovenia	1
2008	Adriatic Region Employers' Centre	Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia, Slovenia.	1
2008	Single European Sky in South East Europe	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Montenegro, Romania, Serbia, North Macedonia European Commission, Stability Pact for South Eastern Europe and Regional Cooperation Council	2008 (UNMIK as Kosovo representative).
2008	Regional Cooperation Council	Albania, Austria, Bosnia and Herzegovina, Bulgaria, Canada, Counci of Europe, Council of Europe Development Bank, Croatia, Czech Republic, Denmark, EBRD, European Investment Bank, EU, Germany, Finland, France, Greece, Hungary, IOM, Ireland, Italy, Latvia, Moldova, Montenegro, NATO, OECD, Poland, North Macedonia, OSCE, Romania, Serbia, Slovakia, Slovenia, SEECI, Spain, Sweden, Sitzerland, Turkey, United Kingdom, UN, UNDP, UNECE, United States, World Bank	2013

2009	Western Balkans Investment Fund	Albania, Bosnia and Herzegovina Montenegro, North Macedonia and Serbia	2009
2009	Regional School of Public Administration	Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia	2014
2011	European Association of Public Service Media in South East Europe	1	1
2013	Brdo-Brijuni Process	Slovenia, Croatia, Serbia, Montenegro, Albania, North Macedonia, Bosnia and Herzegovina	2013
2014	Berlin Process	Austria, Bulgaria, Croatia, France, Greece, Germany, Poland, Slovenia, Italy, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia, United Kingdom	2014
2015	Western Balkan Fund	Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia	2015
2016	Regional Youth Cooperation Office (RYCO)	Albania, Bosnia and Herzegovina, North Macedonia, Montenegro, Serbia	2016
2017	Regional Economic Area	Albania, North Macedonia, Bosnia and Herzegovina, Serbia, Montenegro	2017
2019	"mini-Schengen"	Albania, Serbia, North Macedonia	2020
2020	Common Regional Market	Albania, North Macedonia, Bosnia and Herzegovina, Serbia, Montenegro	2020

The Balkans Policy Research Group is an independent, regional think-tank based in Pristina, Kosovo. We provide timely policy analysis and recommendations on a wide array of state building issues; institutional and democratic consolidation; minority integration and good neighborly relations: European integration and policy change. We have decades of experience in policy reporting and development, strategic thinking and advocacy with governmental, international and non-governmental organizations.

Our rigorous, detailed, impartial reporting, always based on in-depth fieldwork, is the core of our work. We go beyond mainstream positions and seek to make change through creative, feasible, well-measured and forward-looking policy recommendations with the aim of helping develop strong, vibrant democracies, prosperous states and societies based on rule of law in the Western Balkans.

We engage in high-level advocacy, domestically, regionally and internationally, impacting policy discussions and options with regard to the home affairs and European policies toward the Western Balkans.

Balkans Group has developed other tools and platforms to achieve this change:

**The Policy Dialogue** promotes Kosovo's domestic dialogue, cohesion and reform-making agenda. The Policy Forum (a Think-Tankers High-level Advocacy Forum) committed to enhancing the dialogue between the civil society and the institutions.

**The Kosovo Serbia Policy Advocacy Group** (a forum for Cross-Border Civil Society Cooperation) that aims to communicate, promote and enhance dialogue toward full normalisation between Kosovo and Serbia, and their societies.

**Women in Politics** promotes the empowerment of women and girls; their security and inclusiveness; and is committed to strengthen the Women Caucus' impact and reach throughout Kosovo.

**Youth in Politics** promotes an active participation from youth from different political parties in the institutions. This component helps in developing a culture of dialogue and cooperation, by providing capacity building trainings on key policy areas and skills and leadership.

**The Dialogue Platform** promotes the dialogue process between Kosovo and Serbia, by informing the wider public and generating debate about the agreements, benefits and challenges of the Dialogue.

**Expert Support component** provides policy support to the government and key institutions on key policy areas, peace and state-building agendas.

