



**European Committee
of the Regions**

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OPINION

Enlargement: Inclusion of Western Balkans Local and Regional Authorities in the EU's Macro-regional, Cross-border and other Transnational Cooperation Initiatives

THE EUROPEAN COMMITTEE OF THE REGIONS

- welcomes the priority given to the Western Balkans by the Bulgarian Presidency and the strategy laid out in the Commission's Communication;
- sees a "bottom-up approach" as absolutely essential for the timely success of further EU integration to include the Western Balkans countries;
- acknowledges that it is very positive that the Commission now explicitly calls for an appropriate balance to be struck between central, regional and local government, since the strategic and operational plans for EU enlargement generally overlook the regional and local government dimension;
- stresses that LRA representatives should be actively involved in accession; EU standards and best practices should be implemented at LRA level as early as possible in the enlargement process;
- acknowledges the sub-national level has to acquire the knowhow to carry out its future tasks under the *acquis*;
- sees decentralisation as vital for social cohesion, stability and peace and reconciliation in the Western Balkans and thus for the future of Europe;
- notes that in undertaking the crucial steps needed to strengthen decentralisation in the true sense of the word, care must be taken not to fuel ethnic divisions and tensions;
- believes considerable efforts still need to be made and vital financial resources transferred in order to increase the administrative capacity of local and regional authorities in the Western Balkans;
- stresses that representatives of LRAs or local associations should be involved in the pre-accession funds (IPA) negotiations, programming, monitoring and evaluation;
- is of the opinion that the EU's macro-regional strategies should cover the whole of the Western Balkans.

Rapporteur-general:

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**Opinion of the European Committee of the Regions -
Enlargement: Inclusion of Western Balkans Local and Regional Authorities in the EU's Macro-
regional, Cross-border and other Transnational Cooperation Initiatives**

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General comments

1. welcomes the fact that the Bulgarian Presidency has made the Western Balkans a priority and requested a contribution from the CoR on the subject;
2. welcomes and supports the strategy for *A credible enlargement perspective for and enhanced EU engagement with the Western Balkans*, presented by the European Commission on 6 February;
3. shares the Commission's conviction that the Western Balkan countries are part of Europe and have a shared European heritage, a shared history and a shared future and that a credible prospect of joining the EU is key to transformation in the region and thus to security, prosperity, social well-being, reconciliation and stability;
4. welcomes the possibility of Serbia and Montenegro becoming EU Member States by 2025, of opening accession negotiations with Albania and the Former Yugoslav Republic of Macedonia, of pledging candidate status for Bosnia and Herzegovina, and enabling Kosovo¹ to make further progress along the European path with the implementation of the SAA;
5. at the same time, fully supports the Commission's clear statement that these scenarios are only achievable if Western Balkan countries meet all necessary criteria and conditions, especially those on strengthening democracy, and undertake all necessary reforms, above all in connection with the rule of law, respect of fundamental rights, competitiveness, regional cooperation and reconciliation, and that there must be no political exceptions in this respect or change of conditions during the process;
6. welcomes the Commission's intention to provide a substantial increase in its support for the transformation process in the Western Balkan countries e.g. through a gradual build-up of the Instrument for Pre-accession Assistance (IPA) in the run-up to 2020, in accordance with a specific action plan with six flagship initiatives;
7. takes the view that the EU enlargement strategy for the Western Balkan countries must form part of a wider strategy to strengthen the EU by 2025, because the European Union must be stronger and more stable before it can become any bigger and the 27 Member States and their populations must be convinced of the added value of this EU enlargement;

¹ This designation is without prejudice to positions on the status of Kosovo, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence

8. welcomes the renewed solemn commitment of the Western Balkan countries at the 2017 Trieste summit to support each other on the European path and to resolve their political differences within the framework of their democratic institutions, and to strengthen mutual political dialogue, since building good neighbourly relations is a milestone on the path towards the European Union;
9. refers to its numerous opinions which repeatedly underlined that local and regional representatives should be actively involved in European integration and that EU standards and best practices should be implemented at regional and local level as early as possible in the enlargement process. Only by proceeding in this way will the sub-national level be able to acquire the knowledge it needs, in an appropriate and timely fashion, in order to carry out its future tasks and responsibilities under the EU acquis;
10. welcomes the EU's Connectivity Agenda and other regional initiatives such as the Berlin Process, and strongly encourages efforts to involve local and regional authorities from the enlargement countries and to draw on the experience of the newer Member States during the implementation process, especially in the areas of transport, energy, digital development, education and young people;
11. calls for special arrangements and irrevocable commitments to be put in place in order to ensure that new Member States are not in a position to block the accession of other Western Balkan candidates;

The importance of the sub-national levels in the enlargement process

12. notes with concern that in most Balkan countries public administration at all levels of government, particularly local self-government, remains weak, with limited administrative capacity, a high degree of politicisation and corruption, a lack of transparency and few financial resources;
13. stresses that the functioning of democratic institutions should be strengthened at national, regional and local level, with efforts to ensure sound electoral processes and the proper functioning of the regional assemblies and municipal councils, alongside constructive and sustainable dialogue with civil society;
14. calls on all Western Balkan countries to draw up and implement programmes to reform and improve the quality and accountability of the administration – particularly with a view to ensuring transparent public finances – as well as e-government strategies. It also calls for the development and introduction of better services for citizens as well as new laws on general administrative procedures, balanced and fair pay structures in the civil service and for regional and local government officials, together with transparent recruitment and dismissal procedures;
15. notes that in most Western Balkan countries important progress has been made with the adoption of new laws to reform local administration, but believes that considerable efforts still need to be made and vital financial resources transferred in order to increase the administrative

capacity of local and regional authorities so that they are able to carry out their expanded roles in preparation of accession and afterwards to the benefit of their populations;

16. highlights, as a positive example, the decision taken on the Serbian law concerning the civil service in the autonomous province of Vojvodina and at local level, but points out that the law on Vojvodina's resources – as required by the constitution – still needs to be adopted;
17. welcomes the fact that in several Western Balkan countries, especially Albania, local territorial reforms have been adopted and implemented with the transfer of new powers to municipalities, although financial and administrative consolidation of the newly created municipalities has been slow;
18. regards as very positive that the Commission's enlargement strategy for the Western Balkans explicitly calls for an appropriate balance to be struck between central, regional and local government in line with the principle of multi-level governance, since the strategic and operational plans for EU enlargement in the enlargement countries of the Western Balkans generally overlook the regional and local government dimension;
19. sees a "bottom-up approach" as absolutely essential for the timely success of further EU integration to include the Western Balkans countries;
20. is pleased to note that, especially at local level in the Western Balkan countries, cross-border cooperation has been stepped up through the exchange of experience, transfer of know-how, transfer of best practices and the introduction of new methods and approaches. The activities and initiatives undertaken by local and regional associations and organisations such as The Adriatic-Ionian Euroregion (AIE) and the regional network NALAS – the Network of Associations of Local Authorities of South East Europe should be highlighted in particular here, and they should be integrated and promoted to a greater extent at European level;
21. finds it regrettable that there is currently no comprehensive and sustainable platform for local cooperation nor any strong links with the EU institutions in order to support implementation of EU standards and transpose the EU acquis at local level, and that positive cooperation initiatives such as the Regional Cooperation Council (RCC), ReSPA² and the Berlin Process are geared mainly towards central governments while failing to take account of the regional and local level;

Decentralisation and democracy

22. deplores the fact that development of the Western Balkan countries over the past ten years has been characterised by the blocking of reforms, impatience and growing scepticism towards EU membership and signs of increasing instability, corruption, nationalism and extreme politicisation of state institutions and public administrations, which has to some extent led to a shift towards more autocratic forms of government and centralisation;

²

ReSPA is an international organisation which has been entrusted with the mission of boosting regional cooperation in the field of public administration in the Western Balkans (<https://www.respaweb.eu>)

23. points out, especially in connection with Bosnia and Herzegovina, the importance of good coordination between all levels of governance and administration for a country's ability to function, for the effective implementation of the reform agenda, mobility and for the creation of a single economic area, and welcomes the fact that all levels have now agreed on the response to the Commission's comprehensive questionnaire;
24. notes that electoral laws for local and regional elections in the Western Balkans are largely in line with European standards, and that local elections are mainly conducted in a calm and orderly manner, but that major shortcomings remain due to the lack of impartiality and politicisation of the electoral administration and in connection with transparency of campaign financing, the registration process and the resolution of electoral disputes;
25. is convinced that, as a pillar of the democratic reform process, decentralisation is vital for social cohesion, stability and peace and reconciliation in the Western Balkans and thus for the future of Europe;
26. is aware that, in undertaking the crucial steps needed to strengthen decentralisation in the true sense of the word, care must be taken not to fuel ethnic divisions and tensions;
27. is convinced that the de-politicisation of the civil service is the key prerequisite for enhancing trust between the civil service and citizens at regional and local level;

The rule of law, fundamental rights and the fight against corruption at local and regional level in the Western Balkans

28. finds it regrettable that, after many years of EU engagement, central, regional and local government and administration in the Western Balkan countries are still closely associated with organised crime and corruption, with public and private interests strongly interlinked;
29. therefore recommends that the special prosecution services tackling corruption and organised crime, as well as the judicial authorities, be greatly strengthened, so that they are able to confiscate illegally acquired assets, remove people from public office, lay down stricter rules for office holders and ensure more accessible information and complaint mechanisms for citizens;
30. stresses, therefore, that it is not just necessary to significantly improve and safeguard the independence, quality and efficiency of the judiciary at national level. What is also needed is clear transparency in regional and local authorities, particularly in the field of public procurement; moreover, welcomes positive examples such as the establishment of the anti-corruption office and the drafting of relevant action plans in almost all municipalities in Montenegro and the ongoing efforts in Albania;
31. expects the countries concerned to step up their efforts to strengthen the rule of law and justice, to guarantee fundamental rights, freedom and security and to enshrine the protection of minorities notably the Roma community – for whom social inclusion should be more robustly promoted – and the LGBTI community and gender equality, including tackling domestic

violence;; welcomes in this connection the fact that Serbia is the first candidate country to have introduced the EU's Gender Equality Index;

32. has high hopes that the Bulgarian Presidency of the Council will succeed in moving all political forces in Bosnia and Herzegovina rapidly towards a common solution on constitutionally legitimate reform of the electoral law in time for the October 2018 elections. This process must respect the requirements arising from the fact that the three ethnic groups in Bosnia and Herzegovina are constituent peoples and have equal rights. This also means that the Sejdić-Finci, Zornić and Pilav rulings of the European Court of Human Rights need to be implemented so that members of the Jewish and Roma communities and representatives of other national minorities can stand for the presidency and the Federation House of Peoples and that local elections can once again be held in Mostar after more than seven years;
33. stresses the importance of freedom of expression and of the press in a democratic political culture so as to ensure a pluralistic democratic society. One issue here is the inappropriate attempts to bring influence to bear on journalists and their reporting on the basis of opaque media ownership;
34. points out that a European democratic culture requires political decision-makers at all political levels to display exemplary behaviour, such as refraining from confrontation and provocation, avoiding radical and nationalistic rhetoric and actions, showing sensitivity to the needs of vulnerable and disadvantaged groups, taking into account the situation of ethnic, linguistic or religious minorities as well as demonstrating complete respect for all people irrespective of the colour of their skin, their sexual orientation or their gender identity;
35. calls on political leaders to avoid and condemn anything that might stoke inter-ethnic tensions, to actively challenge nationalist narratives and the glorification of war crimes, to combat racism, xenophobia, extremism, radicalisation and terrorism and to carry out preventive work with young people;

Cross-border regional and local cooperation

36. believes that regional cooperation and good neighbourly relations between the countries of the Western Balkans are key prerequisites for European progress and new economic opportunities;
37. supports all initiatives aimed at enhancing mutual relations between the Western Balkan countries and cross-border cooperation at regional and local level, as well as twinning and TAIEX programmes, and offers its support for the possible inclusion of accession countries from the Western Balkans in EGTCs;
38. makes clear that cross-border bilateral disputes must be urgently resolved by decision-makers in the countries concerned or be subject to binding, definitive international judicial decision or arbitration without condition; deplors, in this regard, the continued dispute between Slovenia and Croatia for the international waters of the Bay of Piran, which has become an internal EU problem with the two countries' accession to the Union, and welcomes the signing of the border

treaties between Montenegro, on the one hand, and Bosnia and Herzegovina and Kosovo, on the other;

39. welcomes the fact that the Republic of Serbia has recently signed the Madrid Outline Convention and also expects that the Former Yugoslav Republic of Macedonia and Kosovo will sign this convention, which offers concrete solutions for overcoming the biggest obstacles to cross-border territorial cooperation;
40. is convinced that there can be no long-term stability without effective and comprehensive normalisation of relations between Belgrade and Priština through EU-sponsored dialogue in the region, and so a comprehensive, legally binding normalisation agreement is urgently needed; welcomes the normalisation of relations between Serbia and Croatia and the progress made in dialogue between Belgrade and Priština;
41. notes with satisfaction that the situation in the north of Kosovo has remained largely calm and communication between municipalities in the north and the central institutions has improved, and that occasional provocation and deplorable acts of violence have not done any lasting damage to the dialogue under way between Belgrade and Priština;
42. views the regional economic area agreed at the Western Balkans summit in Trieste in July 2017 as a significant step towards advancing economic integration between the EU and the Western Balkan countries and towards making the regional market more attractive, and hopes that the agreed action plan can be implemented swiftly;
43. considers it of the utmost importance to step up cross-border strategic and operational cooperation with and between the Western Balkan countries in the areas of migration and border management, by guaranteeing access to international protection, exchanging relevant information, improving border control, etc., and encourages local authorities to support the fight against migrant smuggling and trafficking in human beings;
44. warmly welcomes the fact that the negotiations between Greece and the Former Yugoslav Republic of Macedonia over the long-standing simmering dispute concerning the name of the latter have recently shown signs of progress, and hopes that the Bulgarian Presidency of the Council will be able, alongside the negotiations taking place under the aegis of the UN, to contribute significantly to de-escalating the conflict and finding a solution;

The economic situation and macro-regional strategies in the Western Balkans

45. notes with regret that, at present, none of the Western Balkans can be regarded as a functioning market economy nor are they able to cope with the competitive pressure and market forces in the EU, especially because of political influence and the underdeveloped private sector. This has an extremely negative impact on labour markets and especially on job opportunities for young people, of which there are few;
46. points out that, in most municipalities in the candidate countries, there is a general view that EU projects and programmes are too complicated for the circumstances in local administrations, and

so the Commission's efforts to streamline access to projects and programmes are made redundant by an increasingly sophisticated and complex oversight mechanism;

47. advocates expansion of the existing TEN-T network, including the completion of the corridor and an expansion to include south-east Europe, by means of which the current problem of inadequate transport links in the countries of the Western Balkans could be solved and the east-west links over the road, sea, air and railway networks, which is a prerequisite for developing the whole region, could be improved;
48. suggests, therefore, involving the representatives of local and regional authorities or local associations in the process of IPA negotiations, programming, monitoring and evaluation;
49. welcomes the fact that, with a view to implementing the proposed strategy, the EU intends to gradually increase IPA funding in the run-up to 2020, with an even stronger focus on the countries' needs;
50. recalls the positive example of the IPA-financed Innovation Fund, the primary aim of which is to provide pilot financing for innovation projects and to boost research and development in private enterprises. The fund also supports, through the Innovation Serbia Project for example, the establishment of innovative start-ups and spin-offs as well as market-oriented, innovative technologies and services, thus playing a key role in making the Serbian private sector more competitive;
51. highlights, as a positive example of successful regional cross-border cooperation, the joint Romanian-Serbian cancer initiative under the "Interreg-IPA Cross-border Cooperation Programme", aimed at improving the diagnosis and treatment of malignant tumours;
52. also draws attention to the major economic and social disparities among the regions of the Western Balkan countries, and welcomes the EU programme for the competitiveness of enterprises and SMEs aimed at developing a robust private sector, and the planned creation of a programme to support the transfer of technology and start-ups;
53. stresses that macro-regional strategies (MRSs) and other EU instruments for cross-border cooperation such as EGTCs and Interreg programmes are essential building blocks for the future of the EU;
54. welcomes the fact that the Bulgarian Presidency of the Council has made the digital economy another priority and supports all efforts to link infrastructure between Western Balkan countries and the EU in the areas of transport, energy and digital services;
55. expects all Western Balkan countries to play a constructive role in regional cooperation initiatives such as the Berlin Process, the Danube Strategy, the Adriatic and Ionian Initiative, the South-East European Cooperation Process, the Regional Cooperation Council, the Central European Free Trade Agreement and stresses the importance of the Western Balkans' regional youth cooperation office for reconciliation in the region;

56. believes that the EU Strategy for the Adriatic and Ionian Region (EUSAIR) can provide a major opportunity for the whole region but also draws attention to persistent problems such as lack of resources, governance and the challenges posed by the migration crisis;
57. advocates macro-regional strategies as an instrument for European integration, based on stability, reconciliation and good neighbourly relations between EU Member States, candidate countries and potential candidate countries; is of the opinion that the EU's macro-regional strategies should cover the whole of the Western Balkans in their entirety. Kosovo and the Former Yugoslav Republic of Macedonia participate in neither the macro-regional strategy for the Danube Region nor the Adriatic-Ionian macro-regional strategy; therefore recommends that also those Western Balkan countries that do not already participate in the afore-mentioned strategies, but are linked to them in geographical and economic terms, do so now, so that all of the Western Balkans are included in the area covered by the macro-regional strategies and can make use of the funding possibilities as part of the projects implemented under those strategies;

Brussels, 22 March 2018

The President
of the European Committee of the Regions

Karl-Heinz Lambertz

The Secretary-General
of the European Committee of the Regions

Jiří Buriánek

II. PROCEDURE

Title	Enlargement: Inclusion of Western Balkans Local and Regional Authorities in the EU's Macro-Regional, Cross-Border and Other Transnational Cooperation Initiatives
Reference(s)	COM(2018) 65 final
Legal basis	Own-initiative opinion (Art. 307(1) TFEU, Rule 41(b)(i) RoP)
Procedural basis	Bulgarian Presidency referral Letter Deputy Prime Minister
Date of Council/EP referral/Date of Commission letter	11 December 2017 (A/1847)
Date of Bureau/President's decision	10 January 2018
Commission responsible	Commission for Citizenship, Governance, Institutional and External Affairs
Rapporteur general	Franz Schausberger (AT/EPP)
Analysis	
Discussed in commission	Exploratory debate on 6 February 2018
Date adopted by commission	22 March 2018
Result of the vote in commission (majority, unanimity)	Majority
Date adopted in plenary	22 March 2018
Previous Committee opinions	<p>(CdR 2554/2017) The Implementation of Macro-Regional Strategies Rapporteur: Raffaele Cattaneo (IT/EPP)</p> <p>(CdR 93/2017) EU Enlargement Strategy 2016-2017 Rapporteur: Rait Pihelgas (EE/ALDE)</p> <p>(CdR 5896/2015) EU Enlargement Strategy 2015-2016 Rapporteur: Anna Magyar (HU/EPP)</p> <p>(CdR 4286/2015) Strengthening Cross-Border Cooperation: The Need for a Better Regulatory Framework? Rapporteur-general: Nikola Dobroslavić (HR/EPP)</p> <p>(CdR 5726/2014) Enlargement Strategy and Main Challenges 2014-2015 Rapporteur: Franz Schausberger (AT/EPP)</p> <p>(CdR 23/2014) EU Strategy for the Adriatic and Ionian Region Rapporteur: Gian Mario Spacca (IT/ALDE)</p> <p>(CdR 6834/2013) Enlargement Strategy and Main Challenges 2013-2014 Rapporteur: Arnoldas Abramavičius (LT/EPP)</p> <p>CdR 5074/2013) The Added-Value of Macro-Regional Strategies Rapporteur: Pauliina Haijanen (FI/EPP)</p>

Date of subsidiarity monitoring consultation	N/A
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