



European Economic and Social Committee

REX/123
Civil Society in South-East
Europe

Brussels, 15 May 2003

OPINION

of the European Economic and Social Committee

on

**Promoting the involvement of Civil Society Organisations in South-East Europe (SEE) - Past
Experiences and Future challenges**

On 10 December 2002, the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion entitled

Promoting the involvement of Civil Society Organisations in South-East Europe (SEE) – Past experiences and future challenges.

The Section for External Relations, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 30 April 2003. The rapporteur was **Mr Wilkinson**.

At its 399th plenary session (meeting of 15 May 2003), the European Economic and Social Committee adopted the following opinion by 77 votes in favour, with 1 against and 10 abstentions.

1. Introduction

- 1.1 The opinion will concentrate on the territory that made up the former Yugoslavia (less Slovenia) and Albania (the West Balkans)¹. Bulgaria and Romania are also part of the SEE region but, as EU Candidate Countries, are considered in the work done by EESC in this context and by the continuing work of their Joint Consultative Committees (JCCs); they, together with Slovenia (an accession country), are more advanced in their development of participative democracy and offer examples from which other SEE countries can profit.
- 1.2 To date the main involvement of the European Economic and Social Committee (EESC) in South East Europe (SEE) has been the preparation of an Information Report and an Own Initiative Opinion², in addition to participation in the Action Plan for *The promotion of the culture and practice of social dialogue and of the participation of civil society and related networks in the SEE region*³.
- 1.3 This Action Plan started with a major conference held in Thessaloniki in January 2000 and its central work was the drafting of a comparative report on Social Dialogue in South-Eastern European countries⁴. The EESC provided the chairman and two members for the steering

¹ i.e. Croatia, Bosnia Herzegovina, Serbia and Montenegro, the Former Yugoslav Republic of Macedonia, Albania and Kosovo; this last currently has the status of a UN protectorate, but is included here as a separate jurisdiction.

² Information report on "Relations between the European Union and certain countries in SEE" (September 1998) and own initiative opinion on "Development of human resources in the Western Balkans" (April 2001).

³ This activity was part of the Stability Pact.

⁴ The study "Social Dialogue in SEE countries – Possibilities, limitations, perspectives – a comparative study", author Darko Marinkovic, available from ETF.

committee of the Action Plan, which was managed by the European Training Foundation (ETF) and which involved the International Labour Organisation (ILO).

- 1.4 At the conference that took stock of the results of the Action Plan and of the progress made (held in Thessaloniki 2/3 September 2002), it was agreed that to obtain lasting value from this work it was necessary to consider the current situation and to recommend how it could be developed. The aim would be to ensure a strengthening of the social dialogue in the region and to start to develop the wider civil dialogue necessary for participatory democracy, which so far barely exists in most nations in the region.
- 1.5 This own initiative opinion by the EESC is a part of the effort to build on the work done to date, including the work done under the Commission's programme and the Stabilisation and Association process. It will be submitted to the Greek Presidency for the meeting due to be held in Thessaloniki on 21 June 2003 (Zagreb Process II meeting), which will be attended by representatives of the SEE countries involved.
- 1.6 The SEE countries all have differing situations, possibilities and problems⁵. While recognising this, in this opinion we make no attempt to describe these differences, but we do understand the need to identify and deal with targeted national problems within the regional framework. All the countries concerned are now democratic, but their current situation now needs to be underpinned by far more active "participatory democracy", including media involvement. This will be a long term process and will require long term commitment by all concerned.
- 1.7 The aim of all the countries concerned is to become Member States of the European Union (EU) in due course and the EU will welcome them when they have met the requirements for EU membership⁶. The involvement of Civil Society Organisations (CSOs) in civil dialogue, the benefits of, and the need for, which have been described many times⁷, is vital in the preparations for accession⁸ and must be in place on accession. At Annex A attached we explain the terms (such as CSOs) that we use in this opinion.

⁵ For the situation of the social partners in each country, see the study by Darko Marinkovic referenced at footnote 4 above.

⁶ The EESC welcomes the clear statement in the Council Presidency conclusions, Brussels, 20/21.3.2003 (paragraph 80-84) that EU membership for SEE countries in due course is an expectation.

⁷ For example, "The role and contribution of civil society organisations in the building of Europe" (OJ C329 of 11 November 1999) and "Organised civil society and European governance: the Committee's contribution to the drafting of the White Paper" (OJ C193 of 10 July 2001) cover this and include guidelines on the requirements to be met to make a CSO representative.

⁸ The most recent communication from the Commission that highlights the need to strengthen the culture of consultation and dialogue is COM(2002) 704 final dated 11.12.2002.

- 1.8 Suffice it to say here that the possibility for real participation in the process leading to government decisions by the widest possible number of truly representative CSOs brings major advantages to both the citizen and the authorities, most importantly by ensuring that there is a genuine understanding by both parties of decisions made and that the resulting transparency helps significantly in strengthening both representative and participatory democracy and in the fight against corruption. Effective CSOs are important if public opinion is to have meaning and it is vital that decision making is a "bottom up" process whenever possible.
- 1.9 With enlargement imminent, the gap between EU Member States and aspirants for eventual membership is likely to grow. The Committee considers that now is the time to start increasing help for these aspirants towards meeting the necessary criteria for membership; thereafter there will be a need for real continuity in providing this help so that progress made is not then lost.
- 1.10 The aim of this opinion is to consider the current situation on civil and social dialogue in SEE⁹ and to recommend how to make necessary improvements, using the experience and expertise that EESC has in this area as a formal body representing organised civil society.

2. **Experiences to date**

- 2.1 Thanks to the excellent work done during the ETF project¹⁰, for which the Committee wishes to record its appreciation, there is now both a good understanding of the current situation and a greatly improved readiness for co-operation between the social dialogue organisations in the countries of SEE, both nationally and regionally.
- 2.2 The results of this project, and other work, can be briefly summarized as follows:
- **Social Partners.** Organisations already exist to represent employers and trade unions. While the situation varies quite widely between the countries concerned, a majority are adequately representative but need more support and considerably better resourcing if they are to be fully capable of playing a leading role in social dialogue, civil dialogue and, more widely, participative democracy. At present some are completely ineffective in producing genuine social dialogue. They also need, in some cases, improvement in the

⁹ COM(2003) 139 final (Commission's second annual report on the Stabilisation and Association process for SEE) reports that "An active civil society is slowly but surely emerging in the Western Balkans although the level of development varies considerably from country to country... (in) areas such as professional organisations and trade unions (they) remain weak. The majority... need to be strengthened to respond more effectively".

¹⁰ The ILO Central and Eastern Europe Team and the International Organisation of Employers have also been involved in this work.

legal backing for their tasks¹¹. They have started to network and to co-operate on a regional basis in the South East Europe Employers' Forum (SEEEF) and the European Trades Union Confederation Balkans Forum (ETUC BF). Even after the most helpful work already done, there is a need for more training as well as for more experience. In some cases real independence from the authorities still has to be established.

- Other CSOs. The intention was to include all types of CSOs in the project, but it was not possible to find significant numbers of "non social partner CSOs" who were capable enough to include in the work¹². This deficiency must be rectified.
- Attitude of Governments and other authorities. This was identified as the key deficiency hindering civil dialogue. Few cases were found where the authorities were prepared to include CSOs in real consultations or of authorities who recognised the need to do this. In some cases a better legal basis for CSOs is necessary.

2.3 At the ETF project conference held in Thessaloniki on 2 and 3 September 2002, the participating social partner representatives agreed the following as their needs in the near future:

- To consolidate CSOs and to reinforce their role at the national level. This will include considering the need for some restructuring to use resources more efficiently.
- To develop the capacity and expertise of national organisations to play an active role in the social dialogue process
- To network between organisations at the regional level by consolidating networks of socio-professional organisations and by establishing a network for Economic and Social Committees and similar organisations.

2.4 The full conclusions and recommendations agreed upon by the social partners at the end of the project were adopted at a meeting in Zagreb on 3 to 5 March 2003 and are at Annex B. The Committee fully supports this statement and emphasises the need for full support from the appropriate national authorities in working towards these objectives.

¹¹ Such legal basis must be fully compatible with international standards of freedom of association.

¹² A number of NGOs are, however, much involved in the region and are both experienced and adequately funded. Also many women's organisations working in the social sphere exist and have a network.

3. **Future challenges**

- 3.1 Of course, tensions and suspicions remain in the region after so many years of strife and warfare and this affects the willingness to co-operate in some cases. For example, it is likely to prove difficult to get agreement on the provision of common services (such as any permanent forum for ESCs) as to both location and responsibilities. There also remains much work to be completed on rebuilding infrastructure, a key factor in attracting foreign direct investment (FDI).
- 3.2 The EESC has previously recognised that a regional approach is likely to be the most effective means of overcoming the many challenges faced in SEE. This view is supported by the Commission (Stabilisation and Association process). Despite the differing circumstances in various parts of the region, we here attempt to analyse what should be done based on the regional approach; in most cases the same requirements will apply on a national basis.
- 3.3 For long term stability and prosperity it is vital that CSOs become strong and that participatory democracy should become part of the culture. In the first instance social dialogue will remain of the utmost importance; much still needs to be done to strengthen this.
- 3.4 Also of great importance is the development of more widespread civil dialogue. Areas such as building the awareness of citizens of the need to preserve the environment and to expect fair treatment as consumers are vital, but this work will take longer since it is starting from such a low level of knowledge and experience and since resources are even more scarce.
- 3.5 Among the requirements to achieve effective civil dialogue in SEE are:
- recognition by all national, regional and local authorities that CSOs have an essential role in democracy and in the development of a culture that welcomes the contribution that CSOs can make;
 - recognition that the increased transparency and ownership that result from more involvement of CSOs is a powerful tool in the fight against corruption;
 - it is vital that the CSOs do all in their power to improve their potential and their performance, including their representativeness and their ability to add value, both in the context of civil and social dialogue and for the benefit of their members. Better organisation and management are necessary;

- adequate resources (funds, people, research, physical facilities, etc.) and education and training to give the social partner organisations the necessary capabilities, skills and expertise;
- help for other CSOs to develop a real potential for taking part in the wider civil dialogue. In the first instance this will involve identifying these other CSOs, and then checking how representative they are and their needs. This will be a long term process;
- a legal basis for the recognition of CSOs that is respected in its implementation;
- independence of CSOs from the authorities;
- cooperation and the exchange of best practice nationally, regionally and with third parties (such as EU Member State organisations and international organisations).

3.6 In all this the financing possibilities and other types of aid that are offered will be crucial. Funding is likely to remain rather restricted, largely because of the many other calls on EU funds following enlargement. The real need is for SEE countries to become economically independent, although this is likely to take many years. Some discussion of this is included below, but it is clear that social dialogue is vital towards improving the economic situation; the wider civil dialogue is also extremely important. CSOs need to be involved in the way in which financial resources allocated are used.

4. The requirements to improve the current situation

4.1 Political aspects

4.1.1 The starting point for real improvement is political. This includes a clear and strong political commitment by the EU to help the SEE countries and to accept them as Member States when they meet all the criteria for accession; and by the SEE countries concerned to have the political will necessary to introduce and to implement the necessary reforms so that the criteria can be met in full.

4.1.2 All practical indications are that the countries of SEE do not yet support, and certainly do not encourage, civil dialogue and are not prepared to allow social dialogue without their own active participation. This applies at national, regional and local levels. However, the EESC welcomes the clear statement by the Croatian authorities in the context of this opinion that civil society development is a key priority for the government. Overall there is little understanding of the need for CSOs to be autonomous in a participatory democracy. Until these attitudes change and are reflected in the working of democracy it is most unlikely that the criteria for EU membership will be achieved. Changed attitudes are as important at

regional and local levels as they are at the national level, because these levels are crucial in developing economic growth.

- 4.1.3 A prerequisite is a legal basis for the existence and the activities of CSOs; this will enable a culture of consultation to be developed over time.
- 4.1.4 The most effective means of encouraging acceptance of the need for civil dialogue are to ensure that CSOs are strong and expert enough to show the value of the contribution that they can make to a country's economic and social development and to have an active, strong and independent media.

4.2 **Economic aspects**

- 4.2.1 A major task in all the SEE countries is to build their economic strength, thus creating more employment, greater stability and real social progress. The latest report from the Director General for Economic and Financial Affairs on the economy in the area¹³ gives cause for some optimism. It concludes that from a macro economic point of view inflation is steadily declining, the increases in current account deficits were limited and the continuation of the stabilisation and reform process has improved the economic climate. However, it also points to the challenges ahead, notably the fight against corruption and criminality, the completion of the privatisation process and the necessary reform of the public sector. These challenges continue to hinder efforts to attract more Foreign Direct Investment (FDI), which remains low at about 5% of GDP.
- 4.2.2 The report also makes clear the gap between the SEE countries and current Member States. For example, the GDP of the whole region (with 25 million people, about 6.5% of the current EU's population) is equivalent to about 0.6% of that of the EU or 40% of Portugal's (with about 11 million people).
- 4.2.3 Attracting more FDI is clearly important and the increasing stability in the area, coupled with some necessary reform and restructuring of economies and trade liberalisation are helping. There has been some progress in small and medium enterprises (SMEs), but far more needs to be done in a sector that is so crucial to growth.
- 4.2.4 In tackling the remaining major difficulties that affect FDI, it is necessary to establish a healthy, efficient and business friendly environment that includes full respect of the rule of law and of the adequacy and transparency of the legal framework. Subjects such as health and safety at work will also be important. CSOs and the media have a key role in the fight against corruption that is also essential. The participation of the social partners can provide

¹³ European Economy Occasional Paper No.1 "The Western Balkans in transition" January 2003.

the practical experience and expertise needed in such development. The involvement of other CSOs would also be very important.

4.3 Resources

4.3.1 Apart from the political factors above, the key deficiencies that do not allow CSOs to play a more important role at present have to do with resources, experience and training. These are all connected, with resources at the heart of the matter.

4.3.2 For any CSO to be effective it needs to have adequate funding, ideally totally independent of the authorities, to employ suitable people with suitable support and to ensure their training and proficiency. In due course these resources must be generated by the CSO itself from its membership fees and from other sources (such as selling its publications and research, running conferences, and so on). In the short term CSOs will need at least some help in cash or in kind.

4.3.3 The problem of resources for CSOs will, in most cases, be notably difficult. They are likely to have to rely heavily on help and expertise from similar organisations elsewhere (most importantly from EU Member States), but must use every opportunity to provide added benefits to their members and services to others for payment; this will help them in maintaining their independence and autonomy.

4.4 Media and Communications

4.4.1 Independent, free and strong media are among the most important prerequisites for a healthy and stable democracy, with a public well informed enough to play an active and appropriate role in the governance of their country.

4.4.2 As well as informing the public they provide a way for CSOs to make their views known to a wide audience, nationally and internationally if necessary, and they should be encouraged to take an interest in the work that CSOs do. Public opinion can hardly exist without CSOs.

5. Recommendations

5.1 In making the following recommendations, the Committee is mindful of the need to avoid asking for unrealistic financial commitments. However, the Committee urges the EU to increase the present very limited funds made available to developing civil society organisations and participatory democracy in SEE, despite the pressures on EU budgets. The likely return on this funding is very considerable, not least in improving the economic conditions on which real progress can be made to improve the life of citizens; and without it progress will at best be very slow.

5.2 The Committee recommends that:

5.2.1 For the EU and for authorities in the SEE countries concerned:

- Efforts to promote, develop and strengthen the Stability Pact must continue¹⁴.
- The EU should continue to encourage them to strive to meet the criteria for EU membership, focusing on practical implementation.
- The EU should sustain funding their development towards this aim so that continuity is assured.
- EESC calls on all the authorities concerned to work towards the achievement of the recommendations made by the SEE social partners in Zagreb in March 2003 (see Annex B).
- The EESC is ready to offer, as far as possible, any help that the authorities may seek on the development of CSOs and of social and civil dialogue.
- Since business growth is vital for the economy and for employment, the EESC should consider organising an event (or events) to bring SEE officials (separately or on a regional basis) together with social partners to discuss the problems that they face and, in particular those faced by SMEs and the environment necessary for SMEs to flourish.
- The EESC will suggest to the Committee of the Regions the need to involve regional and local authorities in improving social dialogue in the region.

5.2.2 For the SEE social partners (employers and trade union organisations):

- Appropriate bodies should build on the excellent work done so far to build mutual confidence and to train social partners from SEE in social dialogue matters by further training programmes in this area, as well as in management generally. This could include co-operation between the Commission and the ILO.
- Social partner organisations need training in management and organisational skills, strategic development, funding and project management (including EU funding programmes).

¹⁴

The EESC is pleased to note that in the Stability Pact's Initiative for Social Cohesion, the first priority of the Action Plan for 2003 is to "*Strengthen the social partners and ministries for labour and social affairs*", brochure on 'Improving Social Policy in South Eastern Europe', Stability Pact for South Eastern Europe, December 2002.

- The EESC is ready to seek to facilitate ‘twinning’ arrangements with similar organisations from Member States as well as inviting appropriate EU level organisations to inform, involve and help them to the extent possible.
- EESC recommends that it should be involved in developing a 3 year programme towards these ends¹⁵.
- Foreign owned companies should be encouraged to play an active role in relevant national organisations.

5.2.3 For other CSOs:

It is absolutely clear that for meaningful civil dialogue the participation of both the social partners and other types of CSOs is vital and the improvement of these deserves special attention.

- The EESC is ready, through its many contacts and in very close co-operation with relevant EU level organisations, to continue to work on identifying where these organisations are able to match the norms for EU CSOs and to help to develop them where deficiencies exist.
- The EESC is ready to follow this up by facilitating the same arrangements as for social partner organisations (above) and by helping other appropriate organisations to carry out work to develop their capabilities and expertise.
- All involved should support the establishment of appropriate networks of organisations in the region covering relevant aspects of activity, especially where these concern young people.

5.2.4 In the field of media and communications:

- The EU should consider funding an event at which CSOs from the region could meet with officials from national authorities, and under the EU Presidency at the time, to inform people of their progress and to discuss the development of civil dialogue. The media would be encouraged to attend this event and, by reporting on it, to raise the profile of civil dialogue in SEE. Given EU (or other) funding, the EESC would be pleased to help organise such an event.
- The EU should include in its communications work the need for, and value of, civil dialogue in general and in SEE in particular.

¹⁵

EESC recognises that such work needs funding.

- The EU should continue its work to strengthen the independent media in SEE.

5.2.5 Other proposals

- The World Bank and *the IMF should also participate in strengthening the organisations of social partners and civil society in cooperation with the EESC and other EU institutions as well as the ILO.*
- SEE Economic and Social Committees (and similar bodies) should work together to establish an IT based network to exchange their ideas and experiences so that best practice can be established and shared.
- As the SEE ESCs develop, they should be encouraged to cooperate with EU ESCs.
- The EESC is ready to help, on request, in all the above.
- Finally, the EESC should consider, at an appropriate time, establishing and participating in a body, with membership from SEE CSOs and the EESC. This body would discuss matters of common concern, allow networking on a regular basis and act as a point of contact between CSOs in SEE and the EU.

Brussels, 15 May 2003.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Roger Briesch

Patrick Venturini

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N.B.: Appendices overleaf.

APPENDIX A

IMPORTANT NOTE: The definitions given below are based on many EESC works. However, here they are used ONLY to clarify how references to CSOs should be taken in the context of this opinion.

Definitions

While there is no EU agreed definition of some of the terms used in this opinion referring to Civil Society Organisations (CSOs), the EESC document CES 851/1999 adopted on 22 September 1999 gives the following guidance:

"**Civil society** is a collective term for all types of social action, by individuals or groups, that do not emanate from the state and are not run by it. The participatory model of civil society also provides an opportunity to strengthen confidence in the democratic system so that a more favourable climate for reform and innovation can develop."¹⁶

"**Civil society organisations** include:

- the so-called labour-market players, i.e. the social partners;
- organisations representing social and economic players, which are not social partners in the strict sense of the term;
- NGOs (non-governmental organisations) which bring people together in a common cause, such as environmental organisations, human rights organisations, consumer associations, charitable organisations, educational and training organisations, etc.;
- CBOs (community-based organisations, i.e. organisations set up within society at grassroots level which pursue member-oriented objectives), e.g. youth organisations, family associations and all organisations through which citizens participate in local and municipal life;
- religious communities."¹⁷

¹⁶ Paragraph 5.1, CES 851/1999

¹⁷ Paragraph 8.1, CES 851/1999

"**Civil dialogue** should be considered a necessary complement to the social dialogue, in which the social partners - depending on the areas to be dealt with - will participate just as all the other relevant players in civil society."¹⁸

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Paragraph 9.3, CES 851/1999

APPENDIX B

PROJECT

For the "Promotion of the Culture and Practice of social dialogue and of participation of civil society and related networks in the South Eastern European Region"

(Phare B7-700/200/T-2000/054)

Document agreed by SEE social partners at Zagreb 3-5 March 2003 at conclusion of project

CONCLUSIONS AND RECOMMENDATIONS

The participants have illustrated an increasing willingness to actively participate in the project in the year 2001-2003 and to demonstrate partnership in the process of promoting a constructive Social Dialogue in their countries.

Achievements

The participants have highlighted the successes achieved over the duration of the project, in terms of improved confidence, understanding and capacity building.

Confidence

- Confidence among participants in the project (in a troubled region)
- Confidence of the participants in the EU and in the mechanisms of the Stability Pact.

Understanding

- Of the need to further promote the principles of freedom of association and to provide in each country the legal instruments for enabling organizations of workers and employers to function and to provide services for their members
- Of the need to continue to reinforce relations and cooperation at the local, national, regional and European level
- Of the need to further promote Social Dialogue and to consolidate the emerging nascent structures responsible for that Social Dialogue
- Of the need to develop co-operation with EU civil society organizations.

Capacity building

- To analyze their own needs and expectations

- By exposure to experiences and by contacts with their EU and their national and regional counterparts.

Aims and Means for the Future

The participants' aims for the near future can be summarized as the following: consolidate, develop and network:

- To consolidate civil society organizations and to reinforce their role at the local and national level
- To develop the capacity and expertise of local and national organizations to play an active role in Social Dialogue
- To network between organizations at the regional and European level
 - To consolidate networks of social sectoral (branch) and professional organizations
 - To establish networks of Economic and Social Councils and similar tripartite and bipartite institutions.

The participants stress that the necessary means should be made available in terms of regulations, training and exchanges of experiences:

- Secure a regulatory framework enabling the full participation of the organized civil society and ensuring the development of Social Dialogue
- Develop significant training activities in the field of Social Dialogue, with special attention to be paid to the training of the trainers themselves
- Develop exchanges of experiences and staff among SEE organizations and between them and EU national organizations.

CONCLUSIONS

The participants call upon the EU authorities to step up their support to promote the role and activities of the civil society organizations in the SEE countries, as a means of ensuring democracy, peace and stability, improved economic growth and well being in the region, enhancement of the links with EU structures and EU countries.

The participants are confident that the EU Summit in Thessaloniki under the Greek Presidency of the EU, in June 2003, will acknowledge the need for support for further actions aimed at consolidating the role of the civil society organizations and at reinforcing Social Dialogue in SEE countries. This will ensure that the successful achievements of the current project are build upon and consolidated.

The participants expressed their sincere gratitude to all the initiators of the project. Based upon the very successful execution of this project, they announced their desire that, above all,

the European Economic and Social Committee (EESC) and the European Training Foundation (ETF) would be actively engaged in forthcoming actions.

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APPENDIX C

While it will be for the authorities concerned to decide on the criteria, and on how to apply them and to monitor that they continue to be met, the EESC consider the following important:

- They must exist permanently at an appropriate level
 - Where the requirement exists, they must be registered
 - They must be capable of rapid and constructive consultation, including the ability to use the expertise and experience of their members
 - They must represent general concerns of interest to society because of their economic, social or other importance
 - They must be accountable to their members through a democratic process
 - They must have a mandate from their members to represent them and to act as necessary
 - They must be independent and not bound by instructions from outside bodies
 - They must be transparent as to their aims, their actions and their funding.
-