

A NEW ERA IN THE BALKANS

A high-level European Policy Summit organised by *Friends of Europe*, the Konrad Adenauer Stiftung, the Constantinos Karamanlis Institute for Democracy and the OECD Investment Compact for South East Europe with the support of The Coca-Cola Company and with media partner *Europe's World*

Bibliothèque Solvay, Brussels, Tuesday 8 December 2009

MORNING: PLENARY SESSIONS

08.30 – 09.00

Welcome Coffee and Registration of Participants

09.00 – 09.15

Welcome address by **Peter R. Weilemann**, Director of the European Office of the Konrad Adenauer Stiftung

Opening address by **Olli Rehn**, EU Commissioner for Enlargement

Session I

09.15 – 11.00

Making 2010-2020 the Decade of the Balkans

In some ways the Balkans are teetering on the edge of a breakthrough that could transform the region economically and socially. But the first hurdle to be overcome is political, for today's early signs of a new democratic maturity have yet to be turned into moderate and constructive political processes that reject all forms of nationalism. How can the rule of law and the fight against corruption be strengthened? And in light of the EU's mood of enlargement fatigue, what should Brussels be doing to maintain the pace of reform in Balkan countries whose membership prospects seem to be stagnating?

Aart de Geus

Deputy Secretary General of the Organisation for Economic Co-operation and Development (OECD)

Milo Đukanovic

Prime Minister of Montenegro

Nikola Gruevski

Prime Minister of the former Yugoslav Republic of Macedonia

Eduard Kukan MEP

Chairman of the European Parliament Delegation to Albania, Bosnia and Herzegovina, Serbia, Montenegro, Kosovo

Borut Pahor

Prime Minister of Slovenia

Haris Silajdzic

Bosniak Member of the Presidency of Bosnia and Herzegovina

Vygaudas Ušackas

Minister of Foreign Affairs of the Republic of Lithuania

Moderated by **Giles Merritt**, Secretary General of *Friends of Europe* and **Nikolaos Tzifakis**, Head of the International Cooperation Department of the Constantinos Karamanlis Institute for Democracy

11.00 – 11.30

Coffee Break

Session II

11.30 – 13.00

Strengthening ownership: promoting regional cooperation and enhancing local capacities

The European Union's Stabilisation and Association Agreements have contributed to a significant shift in Balkan countries' relationships with the EU; today they are partners, whereas a decade ago they were more like Brussels' subjects. But if the western Balkan states are to take ownership of the stabilisation process they must develop and greatly intensify their regional cooperation. With this in mind, has the new Balkan-administered Regional Cooperation Council become an efficient instrument? To what extent could the EU's upcoming Danube Strategy enhance regional cooperation? What are national governments in the Balkans doing to encourage local decision making and a far stronger application of the EU's subsidiarity principle? What sort of benchmarking could ensure that civil society plays a greater role in all countries that aspire to eventual EU membership?

Keynote address by:

Hido Bišćević

Božidar Đelić, Deputy Prime Minister of Serbia

Vladimir Drobnyak

Secretary General of the Regional Cooperation Council

Chief Negotiator for EU Accession Negotiations in the Ministry of Foreign Affairs and European Integration of Croatia

Ingeborg Grässle MEP

Member of the European Parliament

Georgios Koumoutsakos MEP

Member of the European Parliament Committee on Transport and

Tourism and Substitute Member of the Committee on Foreign Affairs

Miroslav Lajčák

Minister of Foreign Affairs of Slovakia

Michael Leigh

European Commission Director General for Enlargement

Co-moderated by **Giles Merritt**, Secretary General of *Friends of Europe* and **Tim Judah**, Western Balkans Correspondent for *the Economist*

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13.00 – 14.00

Networking Lunch

AFTERNOON: ECONOMIC ROUNDTABLE

Session III 14.00 – 15.30	Do the economic storm clouds have a silver lining for the Balkans?
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The figures make gloomy reading; the Balkans' economic buoyancy, averaging 5% growth in recent years, has been abruptly shattered by the crisis. No longer boosted by the magnet of privatisation profits, foreign direct investment (FDI) has slowed to a trickle in most Balkan countries and there have also been slowdowns in such economic staples as exports of raw materials and tourism earnings. The substantial €4bn coming to the region during 2007-11 in pre-accession funding from the EU is becoming a lifeline rather than an aid to reform. But could the crisis be seen as a blessing in disguise, creating the conditions in which Balkan governments will find it easier to introduce the tough market reforms that are crucial to future competitiveness? What plans can western Balkan countries point to for improving education and training and boosting research and innovation? How can the importance of the shadow economy be reduced?

Opening remarks by:

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|------------------------|----------------------------------------------------------------------------------------------------------------|
| Tim Brett | President of the Alpine and Adriatic Business Unit of The Coca-Cola Company |
| Mladen Dinkić | Deputy Prime Minister and Minister of Economy and Regional Development of Serbia |
| Doris Pack MEP | Member of the European Parliament Delegation to Albania, Bosnia and Herzegovina, Serbia, Montenegro, Kosovo |
| Dusan Sidjanski | Professor Emeritus at the University of Geneva and Special Advisor to the President of the European Commission |

Co-moderated by **Giles Merritt**, Secretary General of *Friends of Europe* and **Alistair Nolan**, Head of the Investment Compact for South East Europe at the Organisation for Economic Co-operation and Development (OECD)

15.30 – 16.00

Coffee Break

Session IV 16.00 – 17.30	The challenge of infrastructure: can Balkan states share projects?
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The future prosperity of the western Balkans will to a very large extent be determined by infrastructural decisions taken today. And the scale of infrastructural costs now facing the region is daunting; the World Bank estimates that between now and 2020 some €27bn will have to be spent on energy and environmental projects alone, and that takes no account of the road and rail transport links and industrial processing infrastructures that are vital to an efficient economy. What steps are Balkan governments now considering for joint projects and cross-border partnerships, and what advice have they been receiving from bodies like the European Commission, the European Investment Bank, the OECD and other multilateral agencies? What financing arrangements would be on offer if Balkan governments began to view economic policymaking as a regional rather than national matter?

Opening remarks by:

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|---------------------|--------------------------------------------------------------------------------------------------------------------|
| Dirk Lange | European Commission Head of Unit for Croatia in the Directorate General for Enlargement |
| Peter Sanfey | Lead Economist in the Office of the Chief Economist of the European Bank for Reconstruction and Development (EBRD) |
| Ahmet Shala | Minister of Finance and Economy of Kosovo (under UNSCR 1244) |

Co-moderated by **Giles Merritt**, Secretary General of *Friends of Europe* and **Alistair Nolan**, Head of the Investment Compact for South East Europe at the Organisation for Economic Co-operation and Development (OECD)

17.30

End of Summit