



The **Stability Pact for South Eastern Europe** provides a framework to stimulate regional co-operation among the countries of SEE, to expedite their integration into Euro-Atlantic structures and to encourage better donor co-ordination and co-operation. The Pact, founded in 1999, was the first attempt to develop a comprehensive conflict-prevention strategy of the international community to address the post-conflict situation in SEE. It brings together among others the countries of SEE, the EU and its member states, the G8, Norway and Switzerland as well as the international financial institutions. At the 2003 Thessaloniki EU-Western Balkans Summit the Stability Pact was asked to facilitate the implementation of the regional components of the Stabilisation and Association Process (SAP). It is organised into three units - Working Table I deals with issues of **democratisation and human rights**, Working Table II with **economic reconstruction, co-operation and development** matters and Working Table III with **security issues**.

Role of the Stability Pact so far

One of the advantages of the SP in relation to other players in the region has been its flexibility. Originally set up as an overall arrangement for SEE, the Pact has since 2002 focused its activities on those areas where it can bring a clear added value. Currently the six Core Objectives are: Parliamentary Co-operation; Local Democracy and Cross Border Co-operation; Trade, Investment and Employment; Energy and other Regional Infrastructure; Fighting Organised Crime and Corruption; as well as Managing and Stabilising Population Movements.

In these overall fields the SPs activities have concentrated on:

- *Facilitating regional co-operation and firmly rooting it in governmental behaviour in SEE*
- *Providing a forum for peer-review and peer-pressure between the SEE countries as one of the key incentives to progress the reform agenda*
- *Provide a forum for matchmaking between donors, beneficiary countries and implementing agencies for joint priority setting*
- *Honest broker and neutral forum bringing together partners that do not usually work together*
- *Overall donor co-ordination*

Future role of the Stability Pact

As the Stability Pact is a temporary instrument, the priority in the upcoming years must be on ensuring long-term sustainability of the regional co-operation processes established under our auspices by enhancing regional ownership. Two tracks have been followed so far, but will have to be further developed: the establishment of regional centres in SEE focused on specific thematic areas, as well as the close co-operation with the SEECP among others in the direction of regional ownership. In some specific cases initiatives developed within the SP will be taken over by other institutions, the Energy Community now being led by the European Commission is a case in point.

Ensuring sustainability of these processes requires a stronger degree of ownership by the countries of the region. Considering their limited resources, clear priority setting is



an obvious precondition for enhanced ownership. The Special Co-ordinator has initiated a 'regional ownership process', which has, since its launch in May 2005 (Sofia Regional Table meeting) been pursued on three different levels:

- Firstly, the Special Co-ordinator requested all SEE countries to assess their involvement in regional co-operation, their priorities with regard to regional activities and to define the resources, which they could make available. The challenge for the countries is to take greater ownership of the regional co-operation process initiated under the Stability Pact. Following their initial assessment it is clear that the countries regard economic development as the key priority but also recognise that security issues such as fighting corruption and migration as well as education are integral parts of ensuring economic prosperity
- Secondly, Special Co-ordinator Busek asked Ambassador Alpo Rusi of Finland (Deputy Special Co-ordinator in 1999-2000) to chair an external Senior Review Group composed of Goran Svilanovic (former Foreign Minister of Serbia and Montenegro), Vladimir Drobnyak (Chief EU-Negotiator for Croatia), and Franz-Lothar Altmann (German Institute for International and Security Affairs). The objective of the Group was to review the role of the Stability Pact in contributing to the stabilisation of the region through fostering regional co-operation and to determine the future need for a regional co-operation forum. Following extensive consultations, the Group has now presented its final report. This highlights the contribution made by the Stability Pact and recommending that a political forum to consolidate and enhance the role of regional co-operation in expediting economic development and integration into Euro-Atlantic institutions be maintained albeit in a somewhat different format. There must be stronger ownership by the SEE countries and a robust link to the EU accession process and the donor community.
- Thirdly, an internal review of the degree of regional ownership in the different Stability Pact task forces and initiatives has begun, focusing on strategies to enhance political and technical leadership of the countries of the region in SP initiatives and to gradually increase the SEE human and financial contributions.

The forthcoming meeting of the Regional Table of the Stability Pact in Belgrade on 30 May is expected to endorse a revised strategy for the Stability Pact that will see it streamline its initiatives over the coming years – some activities will have reached their conclusion, others will be handed over the appropriate international organisation and others to regional bodies. Decisions will also need to be taken on the evolution of the Stability Pact into a more regionally owned co-operation framework. The key features of which have to be increased political, human and financial commitments from the SEE countries, on-going political, technical and financial support from the EU and continued involvement of non-EU donors and international financial institutions.