



Judy Batt

The EU's Foreign and Security Agenda and The Western Balkans

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with

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This was the first joint seminar held by the EUISS with the tripartite partnership of leading Croatian, Bosnian and Serbian institutes for international affairs and security studies. In the past two years, EUISS has supported the efforts of this trio in the field of education and training for officials and experts from their respective states in security sector reform: EUISS twice sent its researchers and other experts in CFSP/ESDP to seminars in Belgrade. A member of the Serbian partner-institute spent three months with EUISS as a Visiting Fellow in 2006, and a member of the Croatian partner-institute will do the same in 2007. This latest conference followed the more ambitious model established for EUISS joint conferences with partner institutes in candidate countries and new member states.

Our lead partner in the organisation of the conference, the Zagreb-based Institute for International Relations, rose admirably to the logistical challenges of gathering over 40 participants in Dubrovnik out of season, and in stormy weather that led to temporary closure of the local airport. The seminar benefited from generous financial and logistical support from the Croatian Ministry of Foreign Affairs (and the Croatian Embassy in Paris in particular). The Croatian Chief Negotiator, Vladimir Drobniak, had kindly agreed to open the seminar but in the event was prevented from doing so by his official duties, so his opening address was presented on his behalf by Ms Irene Andrassy, Legal Advisor (see Annexe). Participation of Western Balkans guests was generously supported by donations from the Austrian Federal Ministry of Foreign Affairs and the Heinrich Boll Foundation.

The aim of the conference was to bring together officials and experts from the EU and from the West Balkans to debate together the broader context of the EU's foreign and security agenda, in which the Western Balkans remain a priority but one situated among other new and

ever-more demanding claims on the EU's attention and resources. Other aims were to enhance understanding of ESDP in the Western Balkans policy community, about which there is little awareness (NATO being the overriding focus of attention in the defence and security field); and to exchange views on the current state of affairs within the EU as regards the constitution and the prospects for future enlargement to the Western Balkans. Rather than providing a blow-by-blow account of each of the four sessions of the conference, this report highlights issues of particular interest arising from the debates.

1) How do the Western Balkans figure among other (competing) CFSP priorities?

Although it was not news to our Western Balkans participants that nowadays the region is only one among a number of priorities on the EU's foreign and security agenda, there was nevertheless some debate about what this could mean for the region. As one participant put it, perhaps it is good news that the Western Balkans is not at the top of the EU's security agenda, if it means that the EU is satisfied with our progress in this respect – but added 'we here in the region are not satisfied.'

Several participants voiced their concern that the region was not yet ready to be left to itself: apart from Croatia, the region is still as much a CFSP issue as an enlargement issue. This is because the nature of transition here – it is not only a matter of transition to democracy and functional market economies, but of post-conflict state-building and the establishment of new borders. In this context, the internal drivers for reform are weaker, and overcoming domestic resistance to reform was heavily dependent on external support from the EU (more on this theme below, item 3).

Other participants were prompted to ask what positive contribution the region itself might make to the EU's handling of its CFSP agenda.

It was reported that Croatia, now in accession negotiations, is rapidly learning how far the CFSP/ESDP acquis and institutional structures have evolved in recent years. It is aligning its National Security Strategy to the European Security Strategy, supporting EU policies and positions, and has submitted indications of its possible contributions to the EU Military Capabilities and Civilian Headline Goal 2008. It is offering logistical support for Operation *Althea*. **Croatia sees its key value-added for the EU's foreign policy in what it can offer in the rest of the Western Balkans**, where it is actively developing bilateral and multilateral regional cooperation. For Croatia as an EU candidate, ESDP has been 'an intimidating new field', as one speaker put it. The screening process has been very revealing, and the government is now on a steep learning curve as to what mechanisms and capacities will need to be developed, and, above all, the importance of coordination between various ministries, beyond the Defence Ministry alone. Training for ESDP and international missions is underway, and participation in these is regarded as a vital contribution to SSR and regional cooperation.

Another participant argued that the best way the Western Balkans could offer help to the EU's CFSP agenda would be to improve its own capacity to manage itself, and thus free up EU resources and manpower for redeployment elsewhere. But, it was pointed out, different states in the region have different capacities to contribute to enhancing regional cooperation. My own interpretation of the discussion at this point (for no-one explicitly drew the comparison) was that **Croatia, having tried initially to distance itself from the region,**

is now gradually thinking through how best to use its position as ‘front-runner’ in EU integration in a constructive way, yet remains hesitant to define a regional ‘leadership’ role for itself; while, on the other hand, **Serbia, which traditionally arrogated the role of regional ‘leader’, in fact finds itself in an ambivalent position**, unable to exploit its potential as regards regional cooperation due to its still unresolved statehood and national identity issues.

2) The Transatlantic relationship – Balkan perspectives

Two Western Balkans participants flagged up the importance of the EU/US partnership in managing together the key challenges of the globalised world. One asserted that ‘the US is still part of Europe’, and in particular, that ‘the EU and the US are in the Balkans together’. This provoked some lively reactions from EU participants, several of whom voiced doubts about whether this is any longer the case, and also argued that the nature of the transatlantic relationship more broadly has undergone fundamental and irreversible change.

This was clearly a thought-provoking exchange for the Western Balkans participants. One Croatian speaker recognised the divergence between the US as a ‘global power’ and the EU as a hesitant power’, and remarked that the EU’s attachment to the principles of multilateralism was fine – but what if multilateralism didn’t work? In practice, he said, the EU tends to ‘find a way – but then what of its principles?’

Some **Western Balkans participants found the discussion sobering insofar as they had hitherto regarded the US as the key security actor in the region, and found it more a consistent, predictable and effective partner than the EU**. For example, from a FYROM perspective, the US had been ‘a friend in need’, while so far FYROM was not confident it had any big friend in the EU (this perception no doubt had much to do with FYROM’s unresolved ‘name issue’ with Greece). A Slovak participant pointed out that Slovakia had not had the benefit of a powerful ‘sponsor’ within the EU either, but that had not proved an insuperable problem. One might conclude that **the EU will have to do a bit more work to convince the region of its credibility as the region’s main security guarantor**.

3) EU enlargement to the Western Balkans – problems and prospects

Two key issues of interest emerged in discussion: firstly, the problem of the weakness of what might be called the ‘internal drivers’ of reform in the region, and how that relates to the credibility of the EU’s commitment to further enlargement; and secondly, diverse assessments of the EU’s ‘regional approach’.

- *Internal and external ‘drivers’ of reform*

In presenting **the case of Serbia**, the speaker noted that the political elite had adopted a passive approach, delaying or avoiding key issues. There was a notable lack of leadership and direction. Thus, whatever has been solved so far, has been done by the others and not by Serbia - Montenegro seceded after the referendum; in the Kosovo status process, negotiations among the Contact Group members are now more important than those between the Serbs and the Kosovars, implying that the resolution of future status will also be determined by the others. The same holds true for cooperation with ICTY so far – indicted were induced to surrender voluntarily, so relieving the government of the responsibility. The ‘government needs to start interfering in its own business and start arresting those at large instead of waiting for somebody else to solve that problem’, she argued. On the new constitution, at least it can be said that the government did manage to do something it was talking about for a long time. But the low turnout - despite the explicit commitment to Kosovo in the preamble - says a lot about how voters feel about politics in Serbia, about politicians and the issues they are raising. The new constitution has at least broken the political deadlock, leading to new elections, which will hopefully lead to a new democratic coalition government. Although this will not necessarily differ too much from the present one, it will have a new mandate to do what is necessary for Serbia to come closer to the EU. There are some reasons to be cautiously optimistic: progress may not be as fast as one could wish, but is still more likely than the reversal of the democratic process.

The speaker from FYROM emphasised the need for his country to keep moving forward along EU track, and that included the EU setting a clear date for opening accession negotiations. However, one participant noted that the previous government’s success in securing candidate status had not assured its return to power at the recent elections.

This led on to debate about the **impact of the EU’s ‘enlargement fatigue on the Western Balkans**. It was pointed out that in fact not all, and not even a majority of member states suffer from this affliction. The Western Balkans should not be deterred from continuing their efforts at reform and preparation for integration – quite the reverse. The experience of the Central Europeans showed that when countries demonstrate that they have fully ‘bought into’ reform as a matter of *their own* interests, the EU responds positively – as it has also done for the Western Balkans in 2005 and 2006. One participant said there was not ‘enlargement fatigue’ but ‘Balkans fatigue’ in the EU, as progress had been so slow.

But it was also noted that, in contrast to the 2004 enlargement, **in the case of the Western Balkans the geopolitical imperative of enlargement was weaker**: for Central Europe, the overwhelming strategic imperative was to escape from Soviet and Russian domination, while in the Western Balkans, threat perceptions focus mainly on neighbours and minorities, which is divisive and diverts attention from reform. For the EU, the strategic gain from enlargement to the Western Balkans was a rather negative one – to stop people fighting each other and to avoid the future costs of crisis management. A speaker from the region argued that the **Western Balkans should show more capacity to be pro-active**, and ask what initiatives the region could take for itself, instead of waiting for the EU to take the lead. He proposed a regional twinning programme for mutual assistance in preparing for EU integration – which, as one participant noted, Croatia is already doing, for example in Kosovo..

- ***The regional approach – does it work?***

One speaker was critical of the EU's regional rhetoric in dealing with the Balkans, which he found inconsistent with its practice of taking a case-by-case approach to the EU integration of the region. Another speaker from the region argued that **Croatia's advancement ahead of the others was good for the rest – as long as there was no suggestion of 'last one in, close the door.'** One participant emphasised that success in Montenegro in relaunching the momentum of reform and EU integrations could make a big impact. It was disappointing that it had taken so long to form the new government, but the key conditions for moving forward were now in place. Notwithstanding the country's small size, it could have a disproportionate positive 'multiplier effect' on motivations in the rest of the region.

The conclusion here is that there is no contradiction between the regional approach and case-by-case advance of individual countries on merit. Quite the contrary, this provides encouragement to the whole region and enhances the credibility of the EU's commitment. Moreover, the front-runners, reassured that they will not be 'held back' by the region, are able to think about deeper engagement with their regional neighbours as something that can bring benefit to themselves as well.

4) Is the EU ready for the challenges ahead?

One speaker's answer was: 'No, probably not – but then it never is!' And another concurred, noting that the EU excelled at 'muddling through', if one looks at the remarkable results achieved over the *longue duree* of the past 50 years.

Several speakers and participants in debate lamented the EU's poor record in 'selling itself' both to its own citizens, and to Western Balkans aspirant members. EU member states' political leaders had not only failed to explain the case for enlargement, some had even blamed enlargement for social and economic problems which they had failed adequately to address. In the Western Balkans, EC Delegations were said to be not visible enough for ordinary people, so the EU remained a dim and distant prospect in the eyes of the public. **Something needed to be done to dramatically boost the impact of the EU's public diplomacy.**

This point was connected with the failure of the constitution, about which there was much debate. **The problems with finding a way out of the constitutional impasse were fully aired, prompting a Croatian speaker to assert that 'if the EU does not sort itself out by 2010, then it will fail.'** One speaker criticised two tendencies in the EU today – rising populism, and pacificism, which lay behind the EU's malaise and diminished its international credibility and effectiveness. However, another speaker contested the point, citing recent cases of EU activism in Iran and Lebanon. He noted that public opinion in the EU clearly favours more CFSP and a common Foreign Minister. The emergence of populism in the new member states raised the question of whether they had been pushed too hard in the race for EU accession? On the other hand, the financial markets were taking a more sanguine view of developments, supporting the assessment that recent changes of government signalled rather a pause to 'take a breather' rather than a damaging long-term setback for EU integration.

One of the key challenges ahead for the EU would be its new role in post-status Kosovo. It was making good use of lessons learned in BiH and by UNMIK. The key to success would be the right mix of executive powers and the mentoring role; and establishing clear unity of command and an effective division of labour among the international organisations on the ground. At least in this arena, the EU could be said to be much better prepared today to handle the challenges ahead.

LIST OF PARTICIPANTS

ANDRASSY Irena - Legal Advisor to the Chief Negotiator for Croatia, Croatian Mission to the European Communities, Ministry of Foreign Affairs and European Integration, Zagreb

ATANASOV, Petar (Prof.) - Head of the Postgraduate Studies, Institute for Sociological, Political and Legal Research, University of St Cyril and Methodius, Skopje

BATINIC PETROVIC Marta, Financial Co-ordinator, Heinrich Böll Foundation, Zagreb Office

BATT Judy (Prof.) - Senior Research Fellow, EU Institute for Security Studies, Paris

BILCIK Vladimir (Dr.)- Head of European Studies, Research Centre of the Slovak Foreign Policy Association (RC SFPA), Bratislava

BRANE Jankovic – Head of Section for NATO/PfP and International Affairs, BiH Ministry of Defence

CVRTILA Vlatko (Prof.) - Security Adviser to the President of Croatia, Office of the President of the Republic of Croatia, and Professor at University of Zagreb

DEDOVIC Dragoslav – Regional Director, Heinrich Böll Foundation, Belgrade Office

DJILAS Milica - Lecturer of Foreign Policy of Serbia and Montenegro, Faculty of Political Sciences, University of Belgrade

GELEŽEVIČIENE Giedre - Desk Officer for the Western Balkans, Ministry of Foreign Affairs, Vilnius

GLIGORIJEVIC Srdjan - Director of Studies, International and Security Affairs Centre (ISAC-Fund), Belgrade

GNESOTTO Nicole - Director, EU Institute for Security Studies, Paris

GREVI Giovanni - Research Fellow, EU Institute for Security Studies, Paris

GRUENTHER DJECEVIC Mirela - Head of Office for BiH, Heinrich Böll Foundation

GYARMATI Istvan (Ambassador) - Director, International Centre for Democratic Transition, Budapest

HADZOVIC Denis - Secretary General, Centre for Security Studies (CSS), Sarajevo

HAJNOCZI Thomas (Dr.) - Director for International Security Policy, Federal Ministry of Foreign Affairs, Vienna

HORVAT Vedran – Head of Zagreb Office, Heinrich Böll Foundation

JANKOVIC Pavle - President, International and Security Affairs Centre (ISAC-Fund), Belgrade

KNEZOVIĆ Sandro (Mr.)- Research Fellow, Department for International Economic and Political Relations, Institute for International Relations (IMO), Zagreb

LAJCAK Miroslav (Ambassador) - Personal Representative of the EU HR/SG to Montenegro - Director-General for Political Affairs, Ministry of Foreign Affairs, Bratislava

LAUK Maris – Third Secretary/COWEB Representative, Permanent Representation of Estonia to the EU, Brussels

LINDSTROM Gustav (Dr) - Senior Research Fellow, EU Institute for Security Studies, Paris

NIELSEN Reimer Reinholdt (Ambassador) - Permanent Representative of Denmark to the PSC, Permanent Representation of Denmark to the EU, Brussels

PAJEVIC Milan - Chairman of the International Advisory Board, International and Security Affairs Centre (ISAC-Fund), Belgrade

PALINKASEV Olga - Project Co-ordinator, Centre for Security Studies (CSS), Sarajevo

PEEL Quentin - International Affairs Editor, *The Financial Times*, London

PELICARIĆ Neven (Ambassador) – Assistant to the Minister, Political Director, Ministry of Foreign Affairs and European Integration, Zagreb

PLENKOVIĆ Andrej - Ministre Plénipotentiaire, Chef adjoint de la Mission, Ambassade de la République de Croatie en France, Paris

RADULOVIC Momcilo - Secretary General, European Movement in Montenegro, Podgorica

RUK Andrea - Executive Secretary, Logistics, Institute for International Relations (IMO), Zagreb

SEDAR Damijan - Second Secretary, Permanent Mission of the Republic of Slovenia to the EU, Brussels

SKRACIC Ivana – Directorate for the EU and European Co-operation, Ministry of Foreign Affairs and European Integration, Zagreb

STANIČIĆ Mladen (Dr.)- Director, Institute for International Relations (IMO), Zagreb

STANIČIĆ Tonči (Ambassador) – Croatian Ambassador in Serbia, Belgrade

SUNTER Daniel – President, Euro-Atlantic Initiative, Belgrade

TROHA-BRDAR Ines – Minister Counsellor, Head of Section for CFSP and EU External Relations, Ministry of Foreign Affairs and European Integration, Zagreb

VASIC Stela - Project Co-ordinator, Centre for Security Studies (CSS), Sarajevo

VEJVODA Ivan - Executive Director, The Balkan Trust for Democracy, Belgrade

VLAHUTIN Romana - Director of the Office of Political Affairs, OSCE Mission in Kosovo

VLAOVIC Senad - Technical Assistant, Heinrich Böll Foundation, office for BiH

VUJIC Zoran - Foreign Policy Analyst, Presidency of Serbia, Belgrade

WATKINS Amadeo – Assistant Cluster Director, Defence Academy, UK Ministry of Defence, London

Observer

AFFONÇO-HERRMANN Denise – Programme Manager, EU Institute for Security Studies, Paris

Opening address by

**Ambassador Vladimir DROBNJAK,
Chief Negotiator for the Accession of the Republic of Croatia to the EU**

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Introduction

- It is my great pleasure and honour to welcome you here today in my capacity as Chief Negotiator for Croatia's accession to the EU.
- First of all I would like to thank the EU Institute for Security Studies in Paris - Mrs Nicole Gnesotto and Judy Batt, the Croatian Embassy in Paris - Mr Andrej Plenković, and the colleagues from the MFAEI and the Institute for International Relations for organising this seminar in Dubrovnik. I am pleased that you succeeded, in cooperation with leading Institutes and institutions from the region and the EU Member States, to gather such a prominent group of speakers and a highly respectable audience to discuss topics of great significance for the EU and the region at this particular juncture.
- Let me now turn to the main themes on our programme and make some initial remarks from the EU-Croatia negotiations perspective.

The EU's Foreign Policy Agenda 2006-2010, ESDP: Achievements and Prospects

- Today the EU is an undeniable global actor and its foreign policy agenda has increased considerably. There are almost no global or key international issues on which the EU has no common policy or position. It is true that the EU is not always managing to speak with one voice, but these examples are becoming less frequent. The EU foreign policy has become something more than just the sum of 25 national foreign policies (especially if we count a significant number of third countries – acceding, candidate and EFTA/EEA countries, SAP countries as well as Ukraine and Moldova – which regularly align themselves with CFSP declarations and positions and thereby strengthen the EU's voice even more).
- The screening exercise that Croatia has just completed was very instructive in the two Chapters covering EU's external policy areas - "External Relations" and "Foreign, Security and Defence Policy". Namely, it clearly demonstrated how far these policy areas – especially the ESDP - have evolved in the last years, both in terms of the CFSP *acquis* and EU's institutional structures for its implementation. And they continue to grow on a daily basis, reacting to ever more difficult reality of today's world.
- Nature of the current CFSP/ESDP legal and institutional framework, which has been developed over the years through several EU Treaty changes and intensive decision-making processes, is clearly a consequence of the EU Members States' desire to

respond more efficiently to political and economic challenges of globalisation, increasingly complex international relations and new security threats that come along. But it is also a result of difficult intergovernmental bargaining which accommodated various national interests and traditions, as well as the reluctance of some EU Member States to give up on their foreign policy prerogatives.

- The EU is today by far the biggest donor of humanitarian and development aid and has various other instruments at its disposal: trade, diplomacy, technical and financial assistance, military and civilian crises management mechanisms etc.
- But the EU is often criticised for lack of coherence in its external actions and for having too complicated CFSP mechanisms, which prevent it to efficiently respond to (emerging) crises, as well as to formulate adequate policies and implement them effectively. Lebanon crisis has been a good example of what the EU can do if it pools its instruments and resources together and coordinates them well. But according to general perception, there is still a lot of room for improvement. The "new global puzzle" – if borrowing from one of the latest ISS book titles - will definitely pose even higher demands on the EU for which it will need to be well prepared.
- Some answers have been offered and agreed in the text of the Constitutional Treaty (a Union foreign minister, common external action service, a European Council President, legal personality of the Union etc). And although the new mechanisms provided therein are not likely to enter into force before the overall solution to the EU's constitutional/institutional impasse is found, it seems that there is an overall consensus, not only among the political elites but also among EU citizens (including those who voted against the Constitutional Treaty and those traditionally sceptical towards the EU), advocating a stronger and more visible CFSP/ESDP profile of the EU.
- Therefore the EU has to find alternative ways to be more effective, more coordinated and coherent in its foreign policy making in the near future – maybe today's seminar will offer some proposals on how to do that.
- For one thing is sure - the 2006-2010 foreign policy agenda will be full and very demanding. Serbia, Kosovo, Bosnia and Herzegovina and other SAP countries; Middle East; ENP; Caucasus; Africa; strategic partnerships with the US, Russia, China, India, ASEAN and Latin America, fight against terrorism, disarmament and non-proliferation of WMD, political implications of global warming, will all be very high on the EU's agenda.
- No longer only a CFSP agenda item as during the 1990s but a country negotiating EU accession, Croatia is a strong supporter of the EU's CFSP and is ready to contribute to its effective implementation. Croatia shares the objectives and principles of the CFSP and it is already showing a high level of convergence of its foreign policy with that of the EU. E.g. core elements (security challenges, risks and threats, strategic objectives and principles) of the National Security Strategy of the Republic of Croatia correspond to and are complementary to the European Security Strategy.
- Croatia supports systematically EU's policies, positions and relevant CFSP instruments in relation to third countries and international issues through the

mechanism of regular alignments to CFSP Declarations and Common Positions. Promotion of human rights and the rule of law, including international law standards and practices (ICC, ICTY), effective multilateralism, including better coordination of international organisations (UN, OSCE, CoE etc.), EU – NATO strategic partnership, disarmament, fight against terrorism and proliferation of WMDs, regional co-operation and good-neighbourly relations are only some of the areas in which Croatia already gives or could give its active contribution upon accession. Croatia's regular political dialogue with the EU on bilateral and international issues of mutual interest, especially those concerning the region of SEE, also contributes to promoting common views in various CFSP areas.

- In addition to its active logistical support to some ESDP operations (e.g. ALTHEA) Croatia is also ready to gradually contribute to the crisis management operations of the EU. Upon recent EU's invitation Croatia submitted indications of its possible contributions for the improvement of the European Union Military Capabilities as well as the Civilian Headline Goal 2008 in May and October 2006 respectively.
- For a small country like Croatia, EU membership, in terms of CFSP, brings additional security, a more prominent role on the international scene, better diplomatic and consular protection of its citizens in third countries, and above all the possibility to sit around the "decision making table" together with other EU Member States, contributing to more efficient responses to the challenges of the outside world. We could say that in most cases Croatia's national interests would be better served by "speaking with one voice" with other EU Member States than by remaining an "individual voice" on the international scene.
- A key area of EU's foreign policy where Croatia can offer significant input and expertise is the region of SEE.
- Active bilateral and multilateral regional co-operation is the starting point of Croatia's foreign policy. Croatia is recognized as an element of stability in South East Europe and as a country committed to working towards further stabilization of the region and promoting regional co-operation. Croatia shares the interest of the EU in continuing to forge a politically and economically stable and prosperous neighbourhood in the region. Through a regular exchange of experience and knowledge gained in the European integration process with the other candidate and SAP countries, Croatia continuously contributes to the co-operation, stability and prosperity of South East Europe. In the upcoming period our specific contribution will be provided through Croatia's chairmanship of the South East Europe Cooperation Process.
- Croatia is proud to be the first SAP country that started accession negotiations and believes that our example in the EU integration process should be followed. However, this is not an easy task.
- Croatia has been preparing for EU membership for over a decade. But it is important to remember that it was only when Croatia's statehood had been secured that we were able to fully embark upon a comprehensive process of political and economic reforms that have led us to the signature of the SAA (2001), EU membership application (2003) and finally the start of accession talks (2005).

- Overall, EU membership preparations - at all stages but specially during accession negotiations - are a complex political, legal and technical exercise, requiring sound planning and adequate financial resources, high level of dedication and expertise and, above all, a professional and motivated state administration. At the same time, it is an all-encompassing process in which the whole society is involved.
- Based on Croatia's experience, here are some lessons learned for the countries in the region: fulfilment of the political criteria is a *sine qua non* for any further progress in the EU integration process; in parallel, all issues related to statehood, political and state structures and the functioning democratic institutions should be resolved; vigorous internal reforms are the best guarantee for country's stability and prosperity – not the reforms imposed from outside, but those stemming from a strong political will of the country's leadership and a strong desire for change from within a society as a whole; the EU's SAP instruments can help in those endeavors – but they cannot guarantee success. At the end, the internal reforms pay off.

EU Enlargement and the Western Balkans

- The EU with 25 – and soon 27 - Member States is undoubtedly a stronger actor on the international scene than it was with 6, 12 or 15 Member States. In my opinion enlargement contributed to three things: 1) the process itself has brought additional stability to the new Member States; 2) it has served as a catalyst for necessary institutional reforms of the EU; 3) it has made the EU competitive on a global scale. Thus some say that the enlargement process has so far been the most successful foreign policy of the EU.
- Will the EU continue exporting stability and its integration model or will the ongoing internal debates on the EU's future political and institutional structure diminish for some time its capacity to act as a magnet for those European countries still in transition?
- Based on past experiences, I believe that future enlargements can again be catalysts – for further internal reforms of the perspective members, but also for internal reforms of the EU. This is why the enlargement process for those countries with clear EU perspective has to continue, whereby deepening and widening of the EU should not be regarded as mutually exclusive but as complementary and even mutually reinforcing processes.
- Therefore, it is important that a clear EU perspective of the SAP countries confirmed at the 2003 Thessaloniki Summit (by the adoption of the "*Thessaloniki Agenda for the Western Balkans*") is maintained and reiterated by the EU. It is also important to base those countries' EU integration prospects exclusively on individual merits and achievements, i.e. their individual progress in implementing political and economic reforms and fulfilling EU membership criteria.
- In the early 1990s the EU's policy towards the part of Europe known as the Western Balkans has not been a success – we are all familiar with this and are still feeling the consequences. From the beginning of 1990s the region has been intrinsically linked

with the CFSP development - the tragic events in Croatia and Bosnia pushed the creation of CFSP from the ineffective European Political Co-operation, and ever since the area has been a testing ground for various CFSP mechanisms, including the first civilian (EUPM/Bosnia) and the first military (Concordia/Macedonia) ESDP missions ever, as well as several others (in Bosnia and Macedonia, with a possible EU operation in Kosovo in the near future).

- A common goal is to move all SAP countries from a classical CFSP agenda to the proper EU enlargement agenda. Macedonia has already achieved that, while significant challenges remain with respect to the others – and in each case they are different and country-specific.
- The process of strengthening political and economic stability of South East Europe through a credible enlargement agenda has to be part of the wider effort in building an area of lasting security, stability and prosperity on the European continent. Historic process of European unification will be successfully completed only once all the countries of the region have joined the EU.
- This is an important ideal to remember especially since the younger generations within the EU take the existing "security community" that they live in very much for granted.

Concluding remarks

- Compared with the 2004 enlargement, the overall political atmosphere and context in which the accession negotiations with Croatia and Turkey are being conducted have been changed. The discussion on the future of the Constitutional Treaty, absorption capacity of the EU and future borders of the EU dominate today's political agenda of the EU. There is an overall feeling of enlargement fatigue.
- Because of those reasons, the methodology and approach to accession negotiations have become increasingly rigorous, more complex and demanding for both the EU and the candidate countries.
- Against this background, it is important to recall that EU enlargement can be a win/win situation for both the EU and candidate countries. Recent reports have shown that last enlargement has brought political and economic benefits both to the EU and to the acceding countries. EU membership has ensured continuation of economic reforms and completion of economic transition; it has provided an environment for faster and stable economic growth, increased social security and better life quality for new EU citizens. The magnetism of EU membership has brought long-term stability and long lost unity to the European continent. One could easily claim that the benefits of enlargement by far outweigh the costs.
- These facts should be repeated and objectively presented to EU citizens. If they want the EU to play a much stronger global role in the increasingly challenging international setting, they should welcome EU enlargements and constitutional/institutional reforms knowing that an enlarged, united and reformed EU will be more able to act and "assert its identity on the international scene" (Article 2 TEU) than the fragmented Europe of 1990s.

- For these reasons I am confident that the result of internal EU discussions on the constitutional/institutional issues will comprise the institutional and other arrangements that will ensure EU's efficient functioning and at the same time allow it to accept new members.
- The EU's plan to take the necessary decisions in this regard during the second semester of 2008 matches well with Croatia's ambitions to close all negotiating chapters by the end of 2008.
- Croatia hopes that the Commission Report on enlargement and the Union's absorption capacity (envisaged to come out on 8 November), and subsequent European Council conclusions in December will contribute to smooth and timely accession of Croatia to the EU.
- Croatia also believes that the enlargement process should continue in the interest of all European citizens, with the SAP countries next in line.
- Accession negotiations with Croatia can serve as an example and an incentive for other countries of the region. Of course, their EU integration ambitions are not possible without a strong internal will for reforms and an appropriate administrative capacity – in that way Croatia is a fervent supporter of the principles of individual merits and differentiation as the foundations of the accession process. But without a clear perspective of EU membership a vital incentive for these countries to deliver political and economic reforms would be missing. Therefore, the EU must unambiguously say that, after it resolves its internal problems, it will keep its promises towards all SAP countries.
- To conclude, I am certain that enlargement has a good perspective. It has demonstrated the Union's commitment to extend the process of European construction to all those European states ready and willing to participate in it. It has proven to serve the EU well, both for its internal development and for its global role.
- Croatia's accession to the EU would mark a further step in European unification. Croatia is part of European shared history, heritage and culture – as beautifully seen in Dubrovnik, and as such desires to contribute to a joint project of developing further the enlarged and internationally stronger EU.
- Finally, I wish you productive and fruitful discussions and above all a pleasant stay in Dubrovnik, which will - beyond any doubt – be an excellent host to our conference.