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Director General Michael Leigh to the
OSCE Permanent Council

Speech on the Western Balkans

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Speaking points

- Commission '**enlargement package**' presented earlier this week to EU Council. It includes 'strategy paper', with annex on integration capacity as well as annual progress reports on candidate and potential candidate countries. The EU's **present enlargement agenda** covers **SE Europe**, Turkey and the Western Balkans. **Bulgaria and Romania** will be joining the EU on 1/1/07.
- The EU has repeatedly confirmed the **European perspective** for the Western Balkans. All countries in the region will eventually join the EU, once they have met established **criteria and conditions**; a **credible European perspective is essential** also for meeting present **regional challenges**.
- EU will address the question of **integration capacity** while pursuing the enlargement process. Commission tabled its views in its recent report: need to **reform EU** institutions and policies, while taking account of the budgetary dimension, and to ensure **good preparation of candidates** (→ applying strict conditionality). The EU will honour existing commitments, but will be cautious about assuming any new ones.
- **Considerable progress recently made in Western Balkan countries'** course towards the EU: Opening and progress in accession negotiations with Croatia, former Yugoslav Republic of Macedonia declared a candidate country, conclusion of SAA with Albania, opening and progress of SAA negotiations with Bosnia and Herzegovina and Montenegro.
- Commission presently implementing an **agenda of practical measures intended to bring Western Balkan citizens closer to the EU**: visa facilitation, scholarships and participation in Community programmes, civil society dialogue, etc. Council just adopted **mandates for the negotiation of visa facilitation and readmission agreements**. Negotiations will start soon with a view to concluding these agreements as soon as possible.

- **Regional cooperation** is a cornerstone of EU policy in the Western Balkans. Important steps: **Energy Community Treaty, European Common Aviation Area**. New **CEFTA** initialled earlier this month. We call upon remaining two SEE countries [Bosnia, Serbia] to join the official signing of the agreement in mid-December.
- EU highly values work of **Stability Pact**. It fully supports current process of **transition into a more regionally owned cooperation process**, with the South East Cooperation Process at its centre.
- **Kosovo** a key interest for the EU; full support to efforts of M.Ahtisaari. Delaying the status process too much will be detrimental to stability in Kosovo and the whole region. The status process must not be jeopardised: we urge all parties to engage constructively in contributing to a sustainable settlement. EU preparing for increased responsibility after status settlement, while expecting international community to share the burden.
- A democratic and prosperous **Serbia**, integrated into the European structures crucial for stability and development of the region. Full cooperation with ICTY a condition for resumption of SAA talks. Serbia's administrative capacity indicates the country is capable of catching up, once obstacles removed. Commission ready to assist Serbia in meeting challenges. We welcome the adoption of a new Constitution.
- Need for newly elected authorities of **Bosnia and Herzegovina** to focus on reforms in key areas to enable conclusion of SAA negotiations. Technical SAA negotiations progressing well. A smooth phasing out of the OHR is the main challenge next year. EU supports constitutional reform.
- Progress made in relations also with **Croatia**, the former Yugoslav Republic of **Macedonia, Albania** and **Montenegro**. I will not go into details now, but would be happy to answer questions.
- The **OSCE** role throughout the region and **EU-OSCE cooperation** in the field highly appreciated.
 - OSCE has important role to play in Kosovo: monitoring work, but also support to democratic institutions, human development, certain security issues, media, human and minority rights
 - In Bosnia and Herzegovina, we highly appreciate OSCE work, including its contribution to the success of the defence reform. We look forward to continue cooperation in core activities such as Democratisation, human rights and the rule of law.

- Albania is another example of excellent EU-OSCE cooperation on the ground
- I would also like to express our support for the OSCE's Office of Democratic Institutions and Human Rights (ODIHR) and its role in the election process in the countries of the region.