COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 01.12.1997 COM(97) 659 final

REPORT FROM THE COMMISSION TO THE COUNCIL ON REGIONAL CO-OPERATION IN EUROPE

Explanatory Memorandum

1. The objectives of the attached report for adoption by the Commission are to give an account of regional co-operation initiatives in Europe; identify conditions for the success of regional co-operation; set out objectives for the Union regarding regional co-operation; drawing on the experience gained so far; propose guide-lines for EU policy; and identify the instruments available to encourage regional co-operation.

2. The Commission welcomes and supports initiatives to promote regional cooperation in Europe as ways to enhance peace, stability and security in Europe, as well as European integration. In assessing further the usefulness of EC support for particular regional co-operation initiatives, the efficiency of the initiative in question will be a major factor, and the Commission proposes that the Community should support initiatives which show a capacity and ability to promote concrete objectives and projects within an effective geographical area, and which do not remain solely fora for discussion. The European Union's general approach to regional co-operation should be based on existing political, commercial and technical assistance instruments.

3. With enlargement, the number of EU member states among participants in regional arrangements will increase, and so will EU involvement in their activities. As Agenda 2000 underlines, the Union aims at a stable Europe that is open to its neighbours. Regional co-operation of this kind can also strengthen links between participating non-EU countries and the Union. Regional co-operation could serve as additional fora for the Union's development of closer relations with the New Independent States, as well as countries in south eastern Europe, where regional co-operation is an essential factor in promoting peace, stability and security.

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REPORT FROM THE COMMISSION TO THE COUNCIL ON REGIONAL CO-OPERATION IN EUROPE

Introduction

1. The Dublin European Council in December 1996 noted that the Commission would report regularly on the wide range of regional activities in Europe. In keeping with this undertaking, and in addition to earlier Commission communications and reports¹, the Commission has prepared the current report on regional co-operation in Europe.

2. This report refers to regional co-operation in the context of the Union's external relations with European countries. Consequently, it does not cover regional co-operation schemes that involve only member states of the European Union, or that involve only countries that are not presently members of the Union. It concentrates on inter-governmental fora of a general nature that encompass one or more of the Union's member states, as well as one or more of its neighbours.

3. The objectives of the present report are to:

- give an account of regional co-operation initiatives in Europe;
- identify conditions for the success of regional co-operation;
- set out objectives for the Union regarding regional co-operation, drawing on the experience gained so far;
- propose guide-lines for EU policy; and
- identify the instruments available to encourage regional co-operation.

4. The Commission welcomes and supports the development of regional co-operation as a means to promote stability, security and prosperity, as well as furthering the process of European integration. While fostering good-neighbourly relations, encouraging political stability, strengthening democracy and human rights and boosting economic co-operation and trade, these initiatives can contribute to closer relations among participating countries as well as to closer ties between these and the European Union. They can also contribute to the preparations for EU membership of candidate countries and to enhancing economic and social cohesion in both the

¹ "The Baltic Sea Region Initiative", 10 April 1996; "Report from the Commission to the Council on European Union co-operation with the Central European Initiative", 4 December 1996; "Regional co-operation in the Black Sea area: state of play, perspectives for EU action encouraging its further development", 14 November 1997

present and an enlarged Union, drawing on the experience gained so far. As stated in Agenda 2000, the Commission considers that the importance of regional co-operation will also increase as the Union enlarges, as its development will promote the openness of the enlarged Union towards its neighbours, helping to ensure that no new dividing lines are drawn on the European continent.

5. There is an increasing number of regional initiatives and the Commission considers that there is a need for a set of principles guiding the EU's approach to them. The Commission wishes to see regional co-operation fully and efficiently serve the above mentioned objectives and is keen to support those regional initiatives where participants demonstrate a clear commitment, notably through active involvement in common undertakings.

Regional Co-operation initiatives: Overview and Assessment

Overview of existing initiatives

6. As the European Council noted at Dublin, regional co-operation initiatives in Europe reach from the Arctic to the Black Sea.

The regional initiatives on which the present report is focusing are presented in more detail in the attached fact-sheets and maps.

7. In northern Europe, the two main regional co-operation initiatives are the Council of Baltic Sea States and the Barents Euro-Arctic Council, which were established in 1992 and 1993 respectively. The Commission further notes the recent establishment of the Arctic Council, which promotes in particular sustainable development and environmental protection in the Arctic region.² In this context, the Commission also takes note of the recently suggested concept of a Northern Dimension³, for the Union's co-operation with its Northern and North-Eastern neighbours.

8. The **Council of Baltic Sea States, CBSS**, is a forum for co-operation between four EU member states (Germany, Denmark, Finland and Sweden), four associated countries (Estonia, Latvia, Lithuania and Poland) together with Russia as well as with Norway and Iceland. The Presidency and the Commission participate in Ministerial meetings; the Commission participates also in meetings of officials. CBSS agreed to work together on a number of objectives, including the strengthening of democracy, human rights, civil security, education, economic co-operation and environmental protection⁴. CBSS has instituted a Commissioner for Democratic Institutions and Human Rights, including Rights of Persons belonging to Minorities. On the occasion of the first meeting of the Baltic Sea region Heads of Government in Visby (Sweden)

² Members of the Arctic Council are Denmark, Finland and Sweden, along with Canada, Iceland, Norway, the Russian Federation, and the United States of America. The indigenous communities of the Arctic are closely involved in the Arctic Council.

³ This concept is proposed by Finland.

⁴ Environmental issues in the Baltic Sea Region are being addressed by the "Helsinki Commission" or "Helcom" which monitors the implementation of the "Convention on the Protection of the Marine Environment of the Baltic Sea Area".

in May 1996, the Heads of Government of the Baltic Sea states set up a high level task force aiming to combating international organised crime. This task force has made concrete proposals for co-ordination, information exchange, and for joint actions, several of which are being implemented. At the Visby meeting, the Commission presented its report, "The Baltic Sea Region Initiative", explaining the EC's contribution to the countries in the region as well as to their regional co-operation.

9. The aim of the Barents Euro-Arctic Council (BEAC) is to promote sustainable development in the Barents Euro-Arctic region situated in the extreme north of Europe on the borders of Norway, Sweden, Finland and the Russian Federation, and thus to contribute to stability and progress in the area and in Europe as a whole. In this forum, the four countries directly concerned meet on a regular basis with Denmark. Iceland, as well as with the European Commission. Attention within the BEAC focuses on economic co-operation, the environment, regional infrastructure, peopleto-people contacts including educational and cultural exchange, the situation of indigenous peoples, and the development of tourism. Special attention is devoted within the BEAC to the development of the Russian part of the region. Lists of priority projects have been developed or are being finalised related to the environment, the energy sector, and the economic development of North-West Russia; work is also underway to establish more structured co-operation on transport infrastructure development⁵. An important element in the co-operation process in the Barents region is the direct involvement of the sub-regional level through the Barents Regional Council, which consists of the heads of the regional administrations of the provinces directly concerned. This is particularly relevant for the development of people to people contacts in the region.

10. In the area between the Baltic Sea and the Mediterranean and Black Seas, there have been a number of regional co-operation initiatives including some or all the countries in the region. The **Central European Initiative (CEI)** groups sixteen countries together: two are EU Member States (Austria and Italy), seven have concluded Europe Agreements (Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia and Slovenia), three have concluded Partnership and Co-operation Agreements⁶ (Belarus, Moldova, Ukraine); two have concluded agreements on Trade, Commercial and Economic matters (Albania and the Former Yugoslav Republic of Macedonia). Bosnia and Herzegovina and Croatia also participate in the CEI. The CEI aims to support participants which are not EU members in their relations with the EU. It also contributes to the transition process and the development of regional infrastructure. In its report to the Dublin European Council in December 1996, the Commission defined a framework for EU co-operation with the CEI. Regular exchanges of information at a political as well as a technical level have already taken place to enhance co-operation.

⁵ In the framework of the Barents Euro-Arctic Pan-European Transport Area (PETrA), established at the Pan-European Transport Conference in Helsinki in June 1997, a multimodal and regionally integrated transport network will be developed in the region.

⁶ The PCAs with these countries have not yet entered into force. Interim agreements with Moldova and Ukraine are in force.

11. The Black Sea Economic Co-operation (BSEC) was created in 1992 with the aim of promoting economic co-operation in the Black Sea region and facilitating the integration of participant states into the world economy. Participants in this primarily economic forum are the Black Sea littoral states (Bulgaria, Georgia, Romania, Russia, Turkey, and Ukraine), as well as Albania, Armenia, Azerbaijan, Greece, and Moldova. Co-operation in the BSEC framework concerns a broad variety of issues - including transport and telecommunications, energy, infrastructure, tourism, agriculture, and environment - which are discussed in over fifteen different sectoral working groups at ministerial level. Key policy matters are discussed in six-monthly meetings of Ministers of Foreign Affairs. A Black Sea Trade and Development Bank has been established but is not yet operational. The BSEC has set up a small permanent secretariat (PERMIS). A number of concrete projects involving several BSEC participating states are being developed, mainly in the field of transport, power systems, telecommunications, and the environment.

12. There are also various initiatives focusing mainly but not only on stability and security in the south eastern area of Europe. In addition to some of the above mentioned groupings which also cover partly the region, there are three regional initiatives dedicated to the specific interests of the South East of Europe. The longest running of these is the Conference on Stability, Security and Co-operation in South East Europe. This process, originally launched before 1989, foundered with the break-up of the former Yugoslavia and was relaunched in 1996 with eight countries of the region. The European Union's own initiative in the region is the Process for Stability and Good Neighbourliness in South East Europe, known as the Royaumont Process. Inaugurated on the basis of a French proposal, at the Royaumont meeting on 13 December 1995, this initiative is linked to the Dayton/Paris Peace Process. The Process aims to promote small-scale projects to restore dialogue and co-operation between like-minded people in areas such as civil society, culture, science and technology etc. The Southeast Europe Co-operative Initiative (SECI), launched by the US in December 1996, aims to promote stability through regional cooperation in the economic and environment fields.

13. A number of factors inhibits the development of regional co-operation in south eastern Europe. These relate mainly to the slow development of political and economic stability under the Dayton/Paris process, persistence of bilateral disputes, problems related to borders and minorities, and the precarious economic conditions prevailing in a number of countries. Perceptions in the area that regional co-operation might delay rapprochement to the Union or lead to a restoration of former Yugoslavia are additional inhibiting factors. There is also a certain overlapping and lack of coordination among the various initiatives. The EU perceives regional co-operation in South East Europe as a crucial complement to the specific ways which countries in the area follow in their relations with the Union, as an element of, rather than an obstacle to, their European vocation.

14. It should be mentioned that there are several regional co-operation schemes which do not fall within the context of this report. Within the European Union and the EEA,

for example, there is the Nordic Council⁷ and the long-standing co-operation among the Benelux countries; in Central and Eastern Europe, there are initiatives such as the Central European Free Trade Agreement (CEFTA) and co-operation between the three Baltic states.

15. Alongside regional co-operation initiatives of an intergovernmental nature, there is a wide range of cross-border co-operation arrangements, both within the European Union and without, which involve adjacent regions in neighbouring states, such as the various Euro-Regions Initiatives. Such initiatives of intra-regional co-operation, which do not specifically fall within the scope of the present report, have an important role to play in the development of border regions and in fostering good-neighbourly relations and people-to-people contacts. As such, they contribute in a direct way to strengthening peace, stability and growth in Europe, and to promoting the process of European integration.

Assessment: conditions for success of regional initiatives

16. The overview of regional co-operation schemes in Europe shows a great variety in levels of intensity, ambitions, forms of activity and organisational structures. Generally, these arrangements are useful fora for discussion of matters of common interest. In some cases, regional initiatives have shown a capacity to promote and achieve concrete objectives and projects, while others still aspire to such a role.

17. Factors which motivate states to engage in regional co-operation include its contribution to regional stability and security; the resolution of bilateral disputes; the existence of problems which can best be addressed in common (e.g. transport and energy infrastructures, environment⁸, development of border regions, combating organised crime, etc.); and the contribution of regional schemes to the European strategies of participant countries.

18. A number of factors tend to inhibit regional co-operation, such as persistence of open or latent bilateral disputes between neighbours, often related to border and minority issues; limited resources for economic co-operation. This is particularly evident with regard to the regional initiatives in south east Europe, which still have a considerable way to go before they achieve their stated objectives.

19. Experience has shown that a pre-requisite for successful regional co-operation is a clear will by participants to support such co-operation politically, administratively, and, where appropriate, financially. The setting of concrete and realistic objectives with a clear added value is another condition.

⁷ The Nordic Council also includes Nordic countries which are not members of the Union but are members of the EEA.

⁸ There are various established international frameworks of regional co-operation in the environmental area. Examples of such initiatives are those focusing on the protection of the Baltic Sea, the Black Sea, the Danube River, the Elbe River and the Oder River. Of great significance is also the pan-European "Environment for Europe" process, which is a wider framework for environmental co-operation involving EU Member States, Central and Eastern European countries and the New Independent States.

The EU and Regional Co-operation

Objectives

20. The objectives for EU support and involvement in regional co-operation should be:

- To promote stability, security and prosperity in Europe through the development of good neighbourly relations among countries and peoples in its regions;
- To further the process of European integration by ensuring that no new dividing lines are drawn on the European continent;
- To create favourable conditions for EU enlargement.

21. The Commission considers that the European Union should support regional initiatives which serve the above objectives. In its support, the Union would follow the following criteria:

- The initiatives should respect the principles of the UN Charter and the principles and commitments of the OSCE;
- Their activities should be compatible with obligations arising from bilateral agreements between the EC and its Member States and participant states, as well as from multilateral agreements (e.g. WTO);
- The initiatives should provide real added value and not imply a duplication of other frameworks and schemes, and seek an effective geographic operational coverage;
- Proposed projects or other concrete action elaborated by participants should have sufficient operational credibility and be based on a realistic assessment of viability and available means.

Instruments for support

22. There is a wide range of political, commercial and technical assistance instruments to support and to foster regional co-operation where appropriate. The EC, for its part, is making a significant contribution to the development of the countries of central and eastern Europe and the NIS, and the Mediterranean area, including the strengthening of regional co-operation. Such support is provided mainly through the Phare and Tacis programmes (national and multi-country programmes as well as cross-border programmes), as well as through Meda and from sector-specific Community programmes as appropriate. Phare, Tacis and Meda share the common objectives of supporting partner countries in the process of economic transformation and strengthening democracy, while each covers a distinct geographical area and is being governed by specific rules. Wherever EU member states are participating in a particular regional co-operation project, the structural funds, notably the Interreg II programmes, can finance cross-frontier and transnational programmes, which may complement Phare or Tacis funded activities.

23. Community assistance can be provided through existing instruments in accordance with their established procedures and on the basis of existing budget lines, while at the same time developing as much as possible synergies among them. Further co-ordination and co-operation with the EIB and other IFIs will also be explored where appropriate.

24. In programming action in the regions concerned, the Commission's main interlocutors will remain the individual states concerned, both on a bilateral basis and in the framework of multi-country discussions. At the same time, the regional cooperation arrangements, to the extent that they present a cogent structure, and as far as their participants recognise them as a valid forum for this kind of discussion, can provide important support for this exercise. If good projects develop in the context of regional initiatives, they could be taken on board in the regular programming, but with the understanding that they will be financed under existing national envelopes, or existing inter-state or multi-country programmes, as appropriate.

25. The Commission is ready to provide funding for regional activities under the relevant existing programmes -- notably Phare, Tacis, Meda, and, where appropriate, Interreg and sector-specific Community programmes -- provided that related proposals are submitted through the standard channels established for these programmes in each of the partner countries concerned, and are judged on their own merits in accordance with standard rules and procedures. The Community should not finance regional co-operation initiatives' own administrative arrangements. Relevant project proposals submitted under the Phare, Tacis, Meda and, where appropriate, Interreg programmes would be evaluated also in terms of their usefulness in their regional co-operation context, whereby due co-ordination between the different Community programmes will be ensured.

26. As the European Union is actively involved in a wide range of issues of interest to regional initiatives, the Commission is often invited to participate in their meetings. The Commission considers that such participation can be mutually valuable. The forms of the Commission's participation must be considered on a case by case basis. It is important for the EU, in view of the Commission's role in implementing Community assistance, that the Commission be involved in the various regional co-operation initiatives where this is of mutual interest.

Conclusions

27. The Commission welcomes and supports initiatives to promote regional cooperation in Europe as ways to enhance peace, stability and security in Europe, as well as European integration. In assessing further the usefulness of EC support for particular regional co-operation initiatives, the efficiency of the initiative in question will be a major factor, and the Commission proposes that the Community should support initiatives which show a capacity and ability to promote concrete objectives and projects within an effective geographical area, and which do not remain solely fora for discussion. The European Union's general approach to regional co-operation should be based on existing political, commercial and technical assistance instruments.

28. With enlargement, the number of EU member states among participants in regional arrangements will increase, and so will EU involvement in their activities. As Agenda 2000 underlines, the Union aims at a stable Europe that is open to its neighbours. Regional co-operation of this kind can also strengthen links between participating non-EU countries and the Union. Regional co-operation could serve as additional fora for the Union's development of closer relations with the New Independent States, as well as countries in south eastern Europe, where regional co-operation is an essential factor in promoting peace, stability and security.

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Balkan Conference on Stability, Security, and Co-operation in South Eastern Europe

Participants:

Albania, Bosnia and Herzegovina, Bulgaria, Federal Republic of Yugoslavia, the Former Yugoslav Republic of Macedonia, Greece, Romania, Turkey.

Description:

The Balkan Conference on Stability, Security, and Co-operation in South Eastern Europe was established by the declaration on good neighbourly relations, stability, security, and co-operation in the Balkans of the Foreign Affairs Ministers in Sofia (Bulgaria) in July 1996. This interstate co-operation process aims to recommence the Balkan co-operation process already underway prior to the break-up of the former Yugoslavia. Its objectives are the strengthening of stability, security, and multi-lateral economic co-operation, co-operating in the humanitarian, social and cultural field as well as fighting against crime, drugs trafficking and terrorism. A second meeting of Foreign Affairs ministers was held in Thessaloniki on 9-10 June 1997. The Ministers reiterated their call, presented to the February 1997 EU General Affairs Council by the Greek Foreign Minister, for greater EU assistance to tackle the pressing economic problems in the region and for a specific EU policy for regional co-operation in South East Europe.

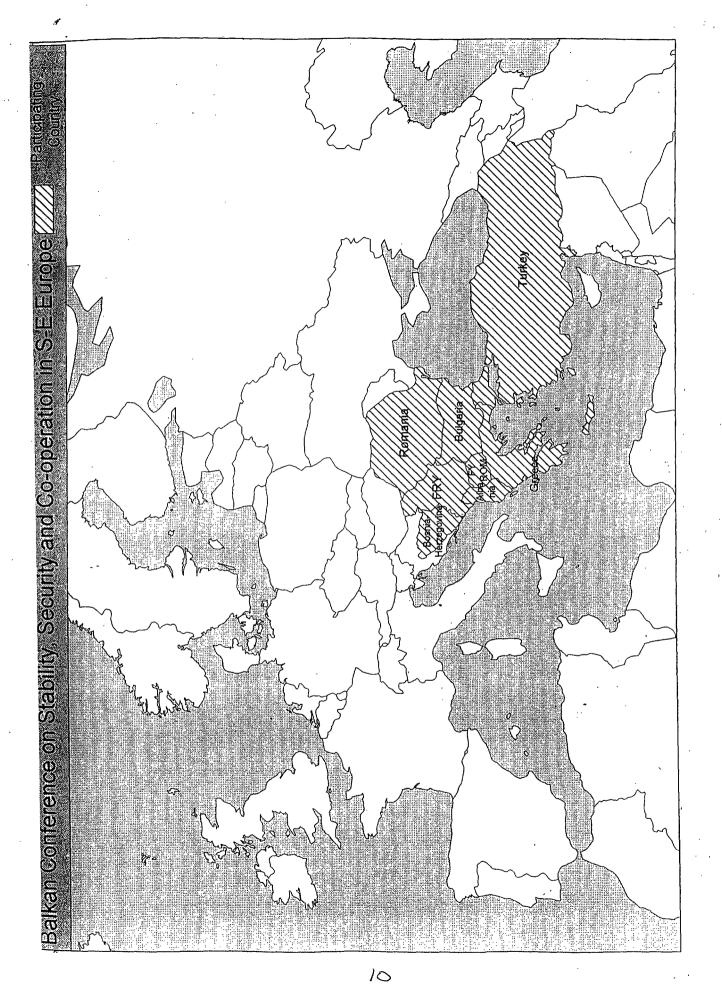
The on-going programme of the Balkan co-operation process includes discussion of regional CSBMs, culture and reconciliation in South East Europe, trade promotion, SMEs, technology transfer, cross-border co-operation among co-operation possibilities under EU programmes, transport, telecommunications and energy infrastructure, environmental protection, humanitarian, social and cultural cooperation, co-operation in the field of justice, combat of organised crime, elimination of terrorism, illicit drug and arms trafficking and interaction with other regional initiatives, such as Royaumont, SECI, CEI and BSEC. An informal Balkan Summit meeting (Participants only) took place in Crete in November 1997, with a full Summit proposed by Greece and Russia (an observer) for 1998. The Thessaloniki meeting invited the EU to study the work programme and proposals carefully to identify fields and projects of common interest. The next meeting of Ministers of Foreign Affairs will take place in Turkey in 1998.

Structure:

There is no institutional structure. The process is led by a rotating chair among the participants - currently Greece, to be followed by Turkey. Meetings under the various programme elements are convened by other participants.

Involvement:

The EU (Presidency and European Commission) attended the Sofia meeting at official level. The Commission representative delivered a message from President Santer. The Thessaloniki meeting was attended by the EU (Presidency and Commission) at senior official level.



Barents Euro-Arctic Council (BEAC)

Participants¹:

Denmark, Finland, Iceland, Norway, Russian Federation, Sweden, European Commission².

Description:

The Barents Euro-Arctic Council (BEAC) was established in 1993 on the initiative of Norway, with the aim of co-ordinating co-operation in promoting sustainable development in the so-called Barents Euro-Arctic Region. This region is located in the extreme North of Europe on the borders of Norway, Sweden, Finland and the Russian Federation; it has a territory of 1.23 million km² and approx. 4.4 million inhabitants, most of them in the Russian Federation; it is rich in natural resources, yet faces important environmental problems. Co-operation in the BEAC framework focuses on the fields of economy, trade, science and technology, tourism, the environment including nuclear safety and nuclear waste management, infrastructure, educational and cultural exchange, and the improvement of the situation of indigenous peoples.

In parallel with the BEAC, in 1993 the **Barents Regional Council (BRC)** was established, a regional body consisting of the heads of the regional administrations of the provinces which constitute the Barents region³. The BRC co-ordinates projects agreed upon with local authorities and other bodies, in particular in the fields of rail, road and sea transportation; aviation; telecommunication; energy transfer; and border facilities. It operates in close co-ordination with the BEAC. The direct involvement of the regional level is one of the key factors in ensuring the operational capacity of the Barents co-operation.

Structure:

The structure of the Barents co-operation is two-layered, with co-operation taking place both at governmental (BEAC) and at regional (BRC) level. Both the BEAC and the BRC operate through an rotating chairmanship⁴, with decisions being taken by consensus. The BEAC has three standing working groups, dealing respectively with Environment, Economic Co-operation, and the Northern Sea Route. An *ad hoc* working group on Energy has been established.

Involvement:

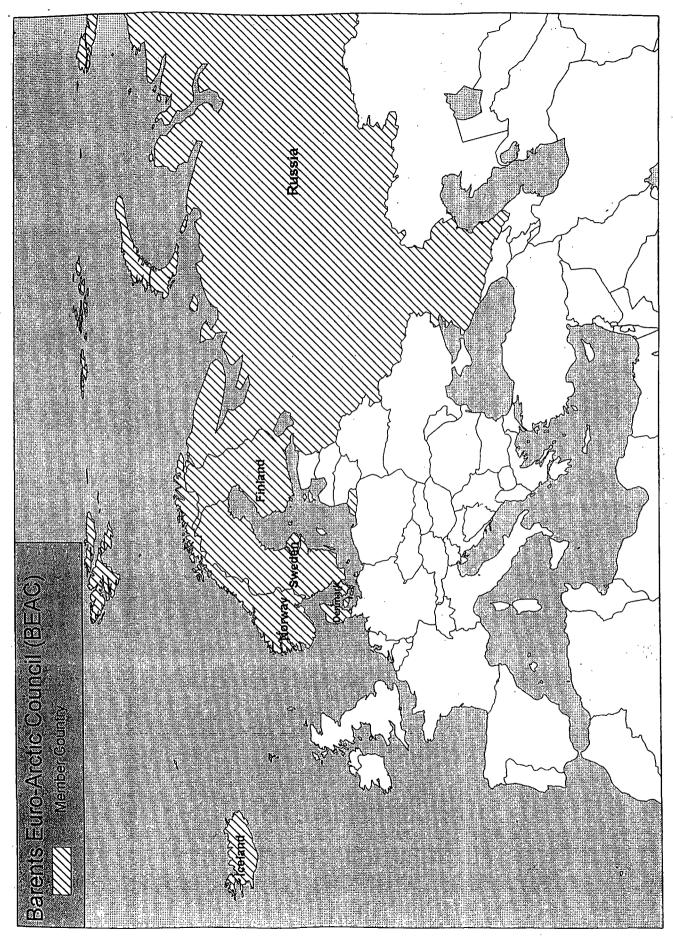
The Commission has participated in meetings of the BEAC from the beginning. Where possible, the Commission supports BEAC activities through the focused use of Community instruments, in the first place TACIS and INTERREG. In this way, the European Community contributes directly to the development of the Barents Euro-Arctic Region, stimulating regional co-operation in this area.

¹ France, Germany, Italy, the Netherlands, UK, Poland, USA, Canada and Japan hold observer status.
² Commission participation differs from that of the Member countries, i.a. in that the Commission

cannot assume chairmanship and related secretarial functions.

³ The provinces constituting the Barents Euro-Arctic Region are the province of Lapland in Finland, the province of Norrbotten in Sweden, the provinces of Nordland, Troms and Finnmark in Norway, and the provinces of Murmansk and Arkhangelsk as well as the Karelian Republic and the Nenets Autonomous Region in the Russian Federation.

⁴ Chairmanship rotating between Norway, Finland, the Russian Federation and Sweden for the BEAC; between the constituent provinces for the BRC.



Black Sea Economic Co-operation (BSEC)

Participants⁵:

Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey, Ukraine.

Description:

The Black Sea Economic Co-operation (BSEC) was formally established in 1992. The objectives of the BSEC are to promote economic co-operation as a means to avoid conflict, to achieve the peaceful settlement of disputes in accordance with OSCE principles, and to assist the participant states in integrating themselves into the European and world economy. The fields of co-operation covered by BSEC are trade and investment; transport, communication and energy; tourism; environment; and science and research. Concrete common projects are being developed in the fields of transport, power systems, telecommunications, and the environment. A Black Sea Trade and Development Bank has been established, yet is so far not operational.

Structure:

The decision making body of the BSEC is the Assembly of Ministers of Foreign Affairs, where decisions are taken by unanimity, under a six monthly rotating chairmanship. There are seventeen sectoral working groups which work at interministerial level, dealing with a wide range of issues including energy, tourism, promotion and protection of investments, banking and finance, and environmental protection. BSEC has a small permanent International Secretariat in Istanbul. Other related structures include the Black Sea Trade and Development Bank in Thessaloniki, the Black Sea Study Centre in Athens, and the Black Sea Regional Energy Centre⁶ in Sofia. Affiliated bodies, giving this mainly inter-governmental cooperation a certain "bottom-up" aspect, are the BSEC Council representing the industries of the participant states; the International Black Sea Club consisting of mayors of Black Sea ports; and the Parliamentary Assembly of the Black Sea Economic Co-operation.

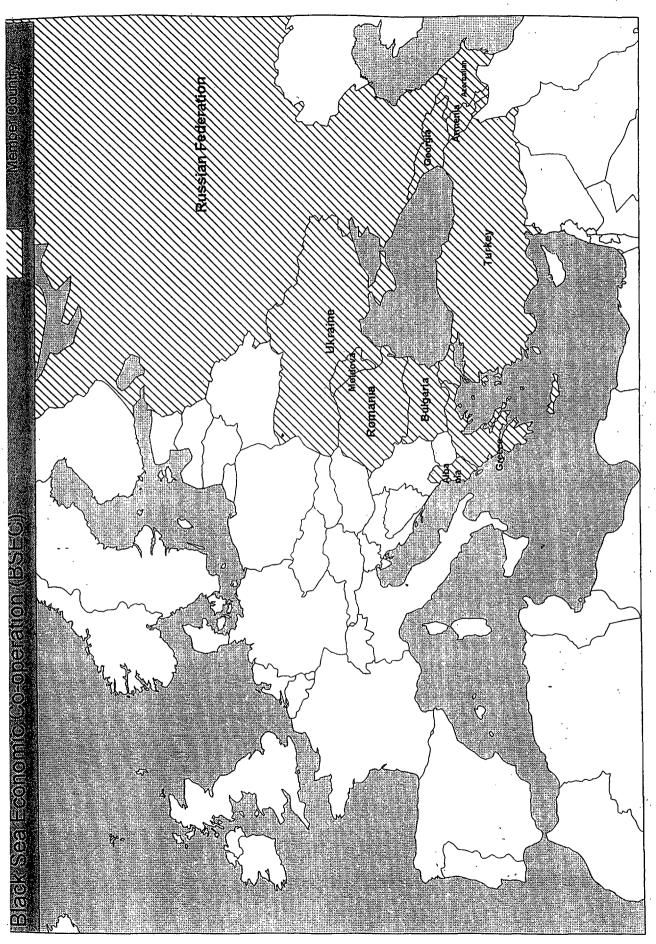
Involvement:

Through the focussed use of relevant Community instruments, primarily PHARE, TACIS, MEDA and INTERREG, the European Community contributes directly to the Black Sea region's development, stimulating regional co-operation in this area. The European Commission is not directly involved in the BSEC, but is being invited to relevant BSEC meetings on an *ad hoc* basis.

⁵ Austria, Italy, Poland, Slovakia, Tunisia, Israel and Egypt hold observer status

Croatia, Bosnia-Herzegovina, Cyprus, Jordan, Kazakhstan and Slovenia have applied for observer status, while FRY, FYROM and Iran have applied for membership. No decisions on these applications have so far been taken.

⁶ In the framework of this initiative, which has benefited from Community support, a Balkans Energy Interconnections Task Force is operational.



Central European Initiative (CEI)

Participants:

Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Italy, the Former Yugoslav Republic of Macedonia, Moldova, Poland, Romania, Slovakia, Slovenia, Ukraine.

Description:

The Central European Initiative (CEI) developed from the 'Quadronale', a forum of regional co-operation created in 1989 by Italy, Austria, Yugoslavia and Hungary. Following the dissolution of Yugoslavia and the outbreak of war in Bosnia-Herzegovina, the CEI was named at a meeting of the Prime Ministers in July 1992 in Vienna. The CEI aims at European integration promoting peace in the region by strengthening the regional co-operation. It supports its member countries which are not yet EU member in their approach to the EU. It also contributes to the process of transition in the CEI countries and the development of regional infrastructure. This comprises co-operation in the fields of politics, culture and economics.

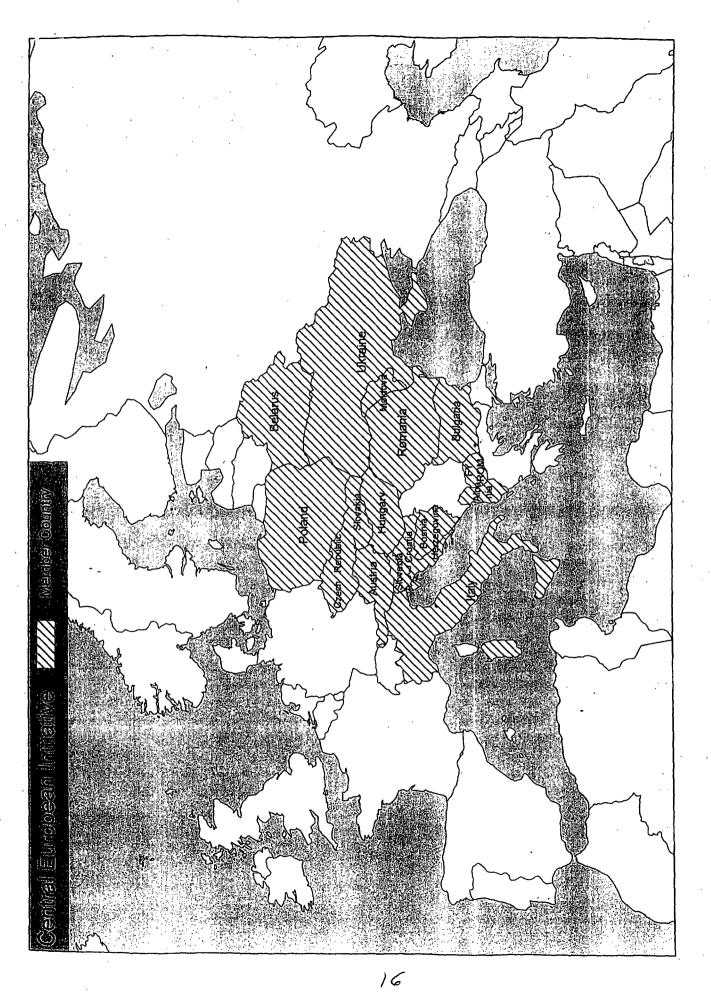
The operational structure of CEI identifies and promotes studies and projects; it also supports activities in other areas of cultural and political relevance.

Structure:

The CEI holds once a year a summit of the Prime Ministers of the CEI states and a yearly meeting of Ministers of Foreign Affairs and of Political Directors. A Committee of National Co-ordinators meets regularly to ensure running of the CEI co-operation and structure, it is assisted by a Financial Committee which deals with CEI technical and financial aspects. Sectorial committees with regular meetings at ministerial and technical level were established followed by working groups. The CEI has established a Centre for Information and Documentation in Trieste. The European Bank for Reconstruction and Development (EBRD) acts as the secretariat for projects. The CEI Presidency (in 1996 Austria, in 1997 Bosnia and Herzegovina, in 1998 Croatia) co-ordinates activities and committees. The Chairman in office with the former one and the next one constitute the Troika.

Involvement:

The European Commission sent a report on the relations with the CEI to the European Council meeting in Dublin in December 1996. The European Commission often participates in summits as well as meetings of Ministers of Foreign Affairs and of Political Directors. Following the Report to the European Council published by the Commission in December 1996, the Commission services have organised two joint meetings with the CEI Committee of National Co-ordinators in February and October 1997. Other regular consultations and contacts have been taken with CEI working Groups and representatives.



Council of Baltic Sea States (CBSS)

Participants:

Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Russia, Sweden, European Commission⁷.

Description:

The **Council of Baltic Sea States (CBSS)** was established by a Declaration at the Conference of Foreign Affairs Ministers of the Baltic Sea States in March 1992 in Copenhagen. The objective is to have a regional forum to strengthen stability and prosperity through co-operation. A CBSS Commissioner for Democratic Institutions and Human Rights including the Rights of Persons belonging to Minorities (Dr Ole Espersen) has been appointed and is based in Copenhagen. The CBSS ministerial meeting in Kalmar (Sweden) in July 1996 adopted the Action Programmes for the Baltic Sea States Co-operation in the fields of democracy & civil security, economic cooperation and environment. There is a close co-operation with Helcom (Helsinki Commission for the protection of the marine environment in the Baltic Sea area) on all environmental matters as well as a close co-operation with BSSSC (Baltic Sea States Sub-regional Co-operation) on co-operation among local authorities and NGOs across borders. CBSS set up the Eurofaculty project which aims at developing university education in economy, law, political science and public administration.

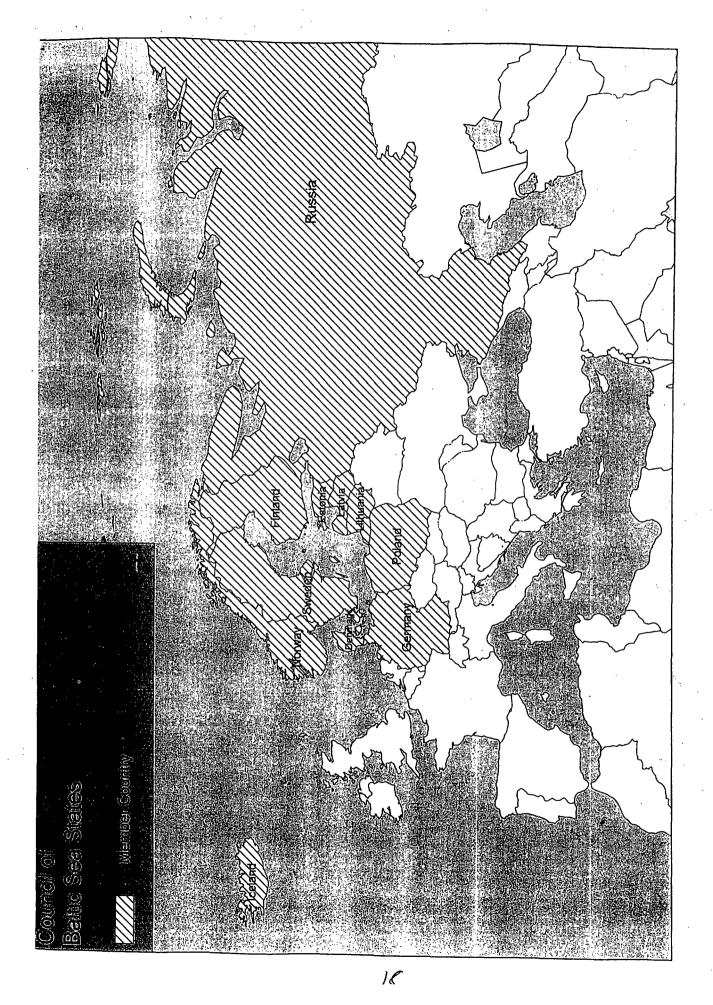
Structure:

The annual meeting of the Foreign Affairs Ministers constitutes the CBSS authority. The 'Presidency' of CBSS alternates annually (currently Denmark). A Committee of Senior Officials (CSO) supports the work of the Foreign Affairs Ministers. Working groups on assistance to democratic institutions, economic co-operation and on nuclear and radiation safety have been established as well as a special ad hoc task force of representatives of Heads of Government on combatting organised crime. A Summit Meeting of the Heads of Government of the Baltic Sea States took place in May 1996 at Visby. The next meeting is expected to take place in January 1998.

<u>Involvement:</u>

The EU Presidency takes part in the CBSS Ministerial Meetings and the Summit Meetings of the Heads of Government. The European Commission participates in all CBSS meetings and has chaired the CBSS Working Group Economic Co-operation (September 1996 - June 1997). The Commission's "Baltic Sea Region Initiative" (April 1996) sets out how the EC supports the Baltic Sea Region Co-operation in general and the implementation of the "Kalmar Action Programmes" in particular.

⁷ Commission participation differs from that of the Member countries, i.a. in that the Commission cannot assume chairmanship and related secretarial functions.



Royaumont Initiative

Participants:

15 EU Member States and the European Commission, Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, the Federal Republic of Yugoslavia, the Former Yugoslav Republic of Macedonia, Romania, Russia, Slovenia, Turkey, USA, the Council of Europe, OSCE (Chair, Secretary-General and HCNM).

Description:

The Process for Stability and Good Neighbourliness in South East Europe is based on a French initiative and was inaugurated at the Royaumont meeting of 13 December 1995, by the Declaration on the Process of Stability and Good Neighbourliness in South East Europe. The initiative is linked to the peace process in former Yugoslavia. It takes its inspiration from the Pact on Stability in Europe and should, in due course, be incorporated into OSCE in the form of a regional table for strengthening stability and good neighbourliness in South East Europe. Its adoption by the EU and "launch platform" was agreed by the General Affairs Council of 26-27 February 1996. The Process aims at strengthening stability and good neighbourly relations by reducing tensions arising from the Yugoslav conflict, promoting better understanding, contributing to restoring confidence and dialogue among South East European countries recently involved in the conflict and finally overcoming ethnic divisions and hatreds. In this way, it put into place a process of co-operation between the peoples of the region to continue and reinforce the peace plan. All states of the region are represented on equal footing, including FRY. The Personal Representative of the OSCE Chairman in Office reports on the progress in implementing the arms control provisions of Annex 1B of the Dayton/Paris accords on a regular basis.

As in the Stability Pact, accompanying measures are envisaged in the form of good neighbourliness and regional and cross-border co-operation projects, although the scope does not include large economic reconstruction and infrastructure projects. The Process aims to promote small-scale projects to restore dialogue and co-operation between like-minded people in areas such as civil society, culture, science and technology etc.

Structure:

There are no institutional structures so far. The Process has been carried forward by regular meetings. The latest meeting took place in Istanbul on 27 October 1997 and noted the intention of the EU to nominate a Coordinator for Royaumont on the basis of the mandate agreed by the GAC, also on 27 October, with a view to an appointment by the end of 1997.

Involvement:

The Royaumont Process, in its launch platform, envisages that projects for accompanying measures will be proposed by participants to the Commission for possible support under EC assistance schemes. However no new Community funding is available for Royaumont.

Southeast European Cooperative Initiative (SECI)

Participants:

Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Hungary, Moldova, Romania, Slovenia, the Former Yugoslav Republic of Macedonia, Turkey, USA.

Description:

The Southeast European Cooperative Initiative (SECI) has been initiated by the USA. It was launched on 6 December 1996. The Initiative's objectives are to promote stability through regional co-operation in the environmental and economic field in South-eastern Europe, by encouraging co-operative and transboundary solutions to shared economic and environmental problems. Accordingly, under the auspices of SECI, participating countries seek to address together relevant development aspects of the region by improving information exchange, planning multistate programmes and attracting private capital to complement bilateral and multilateral sources of public funding.

Structure:

The Coordinator for SECI (Dr Busek) is supported technically by the United Nations Economic Commission for Europe (UN/ECE). Policy direction is provided by an Agenda Committee (group of high ranking officials) meeting every two months. Dr Busek is involved in co-ordination and interaction with SECI participating states in the identification of projects, the follow-up to decisions taken by the Agenda Committee and the monitoring of SECI programme implementation. Six projects groups are presently working to identify projects in the fields of border crossings, transport infrastructure, energy efficiency, credit schemes for SMEs, natural gas distribution and Danube environmental recovery. In parallel, a Business Advisory Council to SECI was launched in June 1997.

Involvement:

SECI is supported by the EU on the basis of points of understanding agreed with the US and aimed at ensuring its complementarity with EU actions (the regional approach, Royaumont, bilateral assistance and agreements) and defining its relationship with OSCE. The Presidency and the European Commission attend meetings of the SECI Agenda Committee and the Commission maintains close contact with the SECI Coordinator, Dr Busek. The Commission is also participating in the SECI project groups, as far as possible, and contributing information on EU activities in order to avoid duplication, as foreseen in the EU/US points of understanding on the development of SECI. EC funding of SECI projects is not envisaged unless a project proposal were to demonstrate full complementarity with EU actions and meet all the necessary conditions for EC assistance.

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