

DECEMBER 2017

WESTERN BALKANS AT A CROSSROADS

NEW CHALLENGES, CHANGING DYNAMICS

REPORT



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TABLE OF CONTENTS

BALKAN COUNTRIES FACE MANY CHALLENGES	4
Peace, democracy and reconciliation under focus	5
Ghosts of the past risk for future success?	6
Young voices need to be heard	8
Business outlook perks up but reforms must continue	9
Strengthen rule of law to boost the region	10
Reforms to simplify processes are needed	11
Think local, act regional	13
Cooperation a prerequisite for EU enlargement	16
Culture change needed to bring people together	17
Conclusion	19
FIVE YOUTH RECOMMENDATIONS FOR THE BALKANS TO PROSPERE	20
Recommendation 1 - Education	21
Recommendation 2 - Entrepreneurship	21
Recommendation 3 - Peace and reconciliation	21
Recommendation 4 - Values, democracy and participation	22
Recommendation - Fight against corruption	22
Youth Delegation Overview	23

“Without the EU we wouldn’t have what we have in the Balkans in terms of the peace and reconciliation process”

Edi Rami

Prime Minister of Albania

BALKAN COUNTRIES FACE MANY CHALLENGES

The annual Balkans Summit hosted by Friends of Europe in Brussels on 5 December identified many of the key challenges facing the Western Balkan countries as the European Union prepares to confirm the region’s EU perspective in the coming months.

During the European Policy Summit, the challenges addressed included driving forward the peace and reconciliation process after the major conflicts in the region in the 1990s and early 2000s, tackling corruption and carrying out justice reforms.

Three sessions of the Summit covered peace, democracy and reconciliation; the business outlook; and the role of local and regional authorities in the EU integration process.

Questions such as the EU’s role in helping the peace and reconciliation process and in modernising the region as well as the region’s EU membership prospects were discussed. The role of Agenda 2030 Sustainable Development Goals in the region was also broached.

Participants grappled with the economic challenges facing the Western Balkans such as high unemployment and youth unemployment as well as claims that the region is suffering from a ‘brain drain’ whereby large numbers of young people are leaving the region. Also discussed was the role of local and regional authorities and civil society in tackling key challenges in the region and how the EU can help them.

During the summit, youth representatives from the region also gave their insights and recommendations on the issues most relevant to them, such as the high levels of youth unemployment.

PEACE, DEMOCRACY AND RECONCILIATION UNDER FOCUS

The first session looked at the state of play on the path of the Western Balkans towards EU membership and the issue of peace and reconciliation after the conflicts in the 1990s and early 2000s. Whilst their progress towards the EU membership is moving on slowly, countries in the Western Balkans are moving swiftly up the European agenda. Given the rising instability, territorial disputes and ethnic rivalries in the region, many in Europe fear a return to war and conflict.

There is also emerging competition with the EU for influence in the region coming from countries such as Russia, Turkey and China. Top EU policymakers continue to insist that the Western Balkans are part of Europe and that reconciliation and democratisation have to be the main focus. The Western Balkan countries are clearly at a crossroads between the EU accession and the status quo. Speakers gave their take on where the region is heading.

In the Balkans today, the situation is totally different in terms of cooperation and dialogue between the countries, and in their attempts to overcome sensitive issues in their past, explained Albania's Prime Minister [Edi Rama](#). The EU has played a role in that in his view.

"Without the EU we wouldn't have what we have in the Balkans in terms of the peace and reconciliation process," he said.

The EU also acts as a very important driving force for both the future of the Balkans and for its modernisation. One example is a vetting process for judges and prosecutors that is helping to drive improvements in the independence of the justice system.

Whether there should be a deadline for EU membership or whether the EU can just keep talking about the Western Balkans being part of the family was an issue raised by moderator [Shada Islam](#). "If [...] EU membership becomes an illusion, then things can turn wrong," Rama cautioned in that context.

"Our EU dream is to be part of the family with clear rules where everyone respects the rules and the rule of law. It is about having states with strong institutions," he said in response to a question about what was the EU of his dreams.

Rama wants Albania to be part of a family that protects and promotes certain unique values – values of a democratic world – at a time when these values are challenged by very dangerous forces. It comes at a time when we have the chance to make a final divorce with the ghosts of the past and finally marry this great Union, he added. "The EU is telling us that it is ready to marry but not yet ready to talk. We in the Balkans want to meet and talk. If it happens, it will happen. Even if it does not happen fast, it will help us to have this challenging tool of modernisation. All the painful part with benchmarks is fundamental for building institutions," he said.

"I don't think that anyone has to offer what the EU has to offer. The region will become a full part of the EU family. I don't think that the Eurasian Union can be described as a family in the same way. The dimension that we have to offer is one that no one else can offer in comparison"

Thomas Mayr Harting

Managing Director for Europe and Central Asia
at the European External Action Service (EEAS)

“The Western Balkans is still suffering from the ghosts of the past and that natural disasters are able to wipe away years of gains. We need to build resilient societies that are able to deal with internal and external shocks”

Ayse Cihan Sultanoglu

Assistant Secretary General and Regional Director for Europe and the Commonwealth of Independent States (CIS), United Nations Development Programme (UNDP)

Commenting on the process of reconciliation with the past, [Thomas Mayr Harting](#), Managing Director for Europe and Central Asia at the European External Action Service (EEAS), said that it “takes time” and “can only come from within”. Judgements from the International Criminal Tribunal show that the region has a long way to go to deal with heavy heritage of the past, he added.

“Both the Commission President and the High Representative have said that the EU will not end up at 27 members and that it is looking at enlargement, with a target date of 2025 mentioned,” he said on the EU’s position towards the Western Balkans.

The Commission and the European External Action Service are working on a strategy for the Western Balkans. What is expected from the EU is a clear message that all of the Western Balkans will become part of the EU family. The region’s “EU perspective will be confirmed and reconfirmed in months to come,” said Mayr Harting. Whilst it may take time and require changes in all partners, the EU is committed to that.

As for the EU facing competition from other regional blocs or countries, he said that “I don’t think that anyone has to offer what the EU has to offer. The region will become a full part of the EU family. I don’t think that the Eurasian Union can be described as a family in the same way. The dimension that we have to offer is one that no one else can offer in comparison.”

GHOSTS OF THE PAST RISK FOR FUTURE SUCCESS?

The Western Balkans has made a lot of progress and is in a better place than ever, according to [Ayse Cihan Sultanoglu](#), Assistant Secretary General and Regional Director for Europe and the Commonwealth of Independent States (CIS), United Nations Development Programme (UNDP). However, she cautioned that “the Western Balkans is still suffering from the ghosts of the past and that natural disasters are able to wipe away years of gains. We need to build resilient societies that are able to deal with internal and external shocks.”

Going forward, she stressed the need for intergovernmental approaches and for bringing communities together. In that sense, the Agenda 2030 Sustainable Development Goals provide universal applicable platforms for policy cohesion, promotion of democracy and bringing people together.

“We are working with governments to create structures for the implementation of SDGs. This is part of a big partnership process. If we want lasting peace, we need lasting development efforts,” she asserted.

She also called on governments and society to provide transparency and accountability, and to create a space for civic society and civic action.

Asked for one recommendation, she said “inequalities are the biggest problem. If there is no equality, including gender equality, in social progress and economic growth and sustainable development, then we won’t achieve much.”

[Michele Giacomelli](#), Special Envoy for the Western Balkans Process from Italy’s Ministry of Foreign Affairs and International Cooperation, highlighted the usefulness of a plan for regional economic integration agreed at the Western Balkans Summit in Trieste in July.

Regional youth cooperation is an area with potential too. In that regard, there will be a conference in Rome in June and the expectation is that it will lead to the creation of a research foundation to facilitate the work of young Western Balkans researchers.

As to the question of young people leaving the Western Balkans because of a lack of jobs, he said “young people go where the best opportunities are. So it is about leadership and creating the best opportunities in your country.”

In his view, there are no other options as attractive as the EU option. With the presentation of the EU strategy, the enlargement package and various upcoming summits, he indicated that “there is a window of opportunity for the Western Balkans” at the moment and a hope that EU membership negotiations with Albania will begin, perhaps after the European Council meeting in June 2018.

From an EU perspective, Giacomelli noted that security issues – the fight against terrorism, the fight against organised crime and illegal migration – are all common challenges and that “working on Western Balkans integration is the best security for the European continent”.

The US and the world want to see a new generation in the Western Balkans who will forgive the past even if they cannot forget, said [Andrew Pitt](#), Senior Development Advisor at the United States European Command (EUCOM).

There are many positive developments in the region, including electoral development whereby elections in various countries have been accepted to be free and fair (e.g. Kosovo, Albania, Macedonia); Montenegro joining NATO as its 29th member; strong relationships on the security front and the Western Balkans nations making contributions to NATO and EU security missions around the world; and all Western Balkan countries being part of the global coalition to defeat ISIS.

“The US sees the clearest path for the Western Balkans in deeper Euroatlantic integration,” he said, adding that there “needs to be a grander vision grounded in democracy” and that the “younger generation needs to buy into the vision”.

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Senior Development Advisor
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Command (EUCOM)

YOUNG VOICES NEED TO BE HEARD

From the youth delegation invited to the summit, [Tanja Grabovac](#), a Croat from Bosnia-Herzegovina, expressed concern about the return of nationalism and ethnic tensions in the region. She pointed out that there were people across the country giving public support to Slobodan Praljak, a Bosnian Croat General who was found guilty at the International Criminal Tribunal for the former Yugoslavia and who committed suicide.

“We missed an opportunity to work towards peace and reconciliation. I’m not happy with the public reactions in Bosnia Herzegovina. I’m ashamed,” she said.

Another member of the youth delegation, [Ina Haxhija](#) from Albania, argued that strong institutions are made by strong people and not by corrupt people. She lamented the fact that investigators in Albania have been blocked from continuing with an investigation into a former Interior Minister, accused of being part of a criminal network selling cocaine and heroin between the mafia organisation Cosa Nostra and Albania.

Albania’s Prime Minister Rami played down the debate about the brain drain of young people, saying that people are always coming and going between countries. He argued that justice reforms, which include subjecting judges and prosecutors to a vetting process to respond to concerns about the legitimacy of their past decision-making, always take time. Fighting corruption and judicial reform will be a priority in the strategy that the EU is working on, said Mayr Harting from the EEAS.

In terms of the media landscape in the Western Balkans, Pitt from EUCOM recommended training more young journalists. Raising the issue of misinformation in the media, he said that there needs to be work on professionalising journalistic work and helping media to reach a point of financial stability so that they are less reliant on political parties and state support, and thus more independent.

BUSINESS OUTLOOK PERKS UP BUT REFORMS MUST CONTINUE

The second session of the summit focused on the realities and challenges for business and investment in the Western Balkans.

Countries in the Western Balkans are growing at a faster pace than in 2015, with regional growth projected to be 2.8% in 2016 and 3.2% in 2017, according to the World Bank. So, whilst the economic situation is clearly picking up, there is a lot still to be done in terms of economic reforms. A big concern is the high unemployment rate in the region (estimated at around 22%), especially among young people. The European Commission has called on prime ministers from the six countries to set up a truly regional economic area that attracts investments and leads to the removal of trade barriers and obstacles for creating jobs, thereby boosting their chances to eventually join the EU.

The challenges facing the Western Balkans are considerable. They include high unemployment, the issue of inactivity (with people living on transfers), access to finance, productivity and high-levels of inequality.

The main responsibility for change lies with institutions, as they provide the framework that is conducive to businesses and to direct investment.

“The real potential here lies in integration into the EU’s Internal Market, but it is also about tackling issues relating to the rule of law, the independence of the judiciary and fighting corruption,” said [Christian Danielsson](#), European Commission Director-General for Neighbourhood and Enlargement Negotiations. “A positive here is that I see a big commitment among leaders and in society to move in this direction. It will be painful but will deliver results.”

Steps have been taken in the direction of developing economic models in countries like Serbia, Albania and FYROM but there needs to be a further effort now to address these issues. Instilling a sense of competition is a necessary part of this effort.

“There are 18 million consumers and a low level of trade between them so they can easily go forward,” said Danielsson.

“The real potential here lies in integration into the EU’s Internal Market, but it is also about tackling issues relating to the rule of law, the independence of the judiciary and fighting corruption”

Christian Danielsson

European Commission Director-General
for Neighbourhood and Enlargement Negotiations

“Corruption and weak rule of law are the biggest challenges for Western Balkan countries on their path towards the EU”

Leija Ibranovic
Executive Director
at Transparency International,
Bosnia and Herzegovina

STRENGTHEN RULE OF LAW TO BOOST THE REGION

Leija Ibranovic, Executive Director at Transparency International, Bosnia and Herzegovina, painted a grim picture in which corruption and weak rule of law is dragging the whole region down.

“Corruption and weak rule of law are the biggest challenges for Western Balkan countries on their path towards the EU,” said Ibranovic.

The latest European Commission progress report for the Western Balkans (for all save Kosovo) says that most countries achieved something in terms of the fight against corruption. However, enforcement is largely missing because institutions are weak in most Western Balkan countries, so enforcement is arbitrary. Institutions have been captured by political elites via political appointments and fiscal blackmail.

The problems include reforms that have not yet ensured the independence of the judiciary; fraud, embezzlement and corruption which prevent business development and investment; poor infrastructure, access to finance and access to electricity; unlawful financing of political parties and huge diversification of public funds. Moreover, most countries share challenges such as weak rule of law, unreliable contract law enforcement, weakness in settling commercial disputes, informal economies leading to losses of tax revenue and weak and unaccountable administrations.

As responses, Ibranovic stressed the need for strong institutions, increased transparency and accountability of public administration as well as more transparency in public procurement and in the funding of political parties.

The European Investment Bank (EIB) offers a long term financing instrument to achieve the EU policy goals of integration of the region with the EU and accession of the region into the EU, explained Miguel Morgado, Director for the Adriatic Sea Region at the EIB.

The EIB has supported the development of basic infrastructure (e.g. railways and roads) and provided support for SMEs via different instruments. It has over €6bn of exposure to the region and is prepared to reinforce its contribution to investment in the region.

“The Western Balkans has performed quite well in macroeconomic terms. The dark spot is unemployment and especially youth unemployment. There is strong potential in the region because young people are willing to progress and set up their own businesses and move away from public sector jobs. For that we need to create some incentives. The EIB has long term loans. It has an enterprise development facility, which offers guarantees and venture capital for SMEs,” he said.

The EIB is also looking to promote self-employment and entrepreneurship via equity and micro loans.

“It is important to establish partnerships between universities and research centres with companies and individuals, for example creative incubators for start-ups and early stage companies,” he said.

“Out of every 100 Bosnians, only 27 have a job and half of those work in the private sector. So there is much to be done here,” said [Erna Šošević](#), Chief Executive Officer of Bizbook.ba, an online business platform for companies primarily focused on economics. Her business to business network allows companies across the whole region to create a profile and publish their services. Her conviction is that entrepreneurship is the way to the future as it creates new jobs.

“The government needs to realise that our greatest natural resource is human minds. They need to invest in cultivating entrepreneurship. I’m sure that if they do we can become a vibrant economy,” she said.

Young people are often scared of the risks of such a venture. Thus Šošević sees the value in mentoring people about entrepreneurship and is mentoring students herself.

REFORMS TO SIMPLIFY PROCESSES ARE NEEDED

The region has a multiannual action plan to boost the economies of the six countries by working on issues such as the free trade in goods, digital skills and cybersecurity, explained [Goran Svilanović](#), Secretary General of the Regional Cooperation Council. He drew attention to various aspects of this plan, such as removing non-tariff barriers regarding free trade services and presenting the region as a single investment destination that would also help boost competitiveness. In terms of regional reforms, one aim is to move towards standardisation, so that each country would have similar rules for example relating to subsidies. Work on free movement is also a key topic, as there are ongoing negotiations on full and automatic recognition of diplomas.

Svilanović identified a problem with decisions made by the International Criminal Tribunal for the former Yugoslavia or cases handled by the International Court of Justice. “We have never discussed the legal, moral and political effects of the decisions. We have never reconciled the legal, moral and political effects,” he said.

From the youth delegation, [Mare Ushkovska](#) from Macedonia said that the young people in the Western Balkans do not think that the accession process is doing enough for the region. She argued that reforms may be positive but the young are still discriminated against at borders, when they apply for jobs, and regarding education opportunities, such as paying double the academic fees that EU citizens pay.

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Secretary General of the Regional Cooperation Council

Also from the youth delegation, [Era Jashari](#) from Kosovo said “we have to be more practical in terms of coming up with solutions to tackle the high rate of unemployment in Kosovo.” She also argued that economic reforms in the regional economic area should be more practical. “There is talk of liberalisation of trade but how is this possible when our travel documents are not recognised in Serbia and Bosnia-Herzegovina and there is a problem of freedom of movement of goods and services in the region?” she asked. When drafting these sorts of regional economic area reforms, the specifics of Kosovo should be taken into consideration, she added.

From the youth delegation, [Irena Djordjevic](#), said that the EU strategy for the Western Balkans should include the voice of youth and promote innovative models for tackling the problem of high rates of youth unemployment.

Reacting to this, Morgado said that the EIB is willing to contribute to a strategy to find new ways for youth employment and training, and that the EIB provides input to the Commission’s annual enlargement reports. He pointed out that the EIB is contributes with concepts and ideas, not just money, and is keen to foster cooperation with other stakeholders on the ground, such as the World Bank. The EIB can also provide technical assistance and advice to help with designing projects.

“Education and mobility are keys to ensure that young people in the Western Balkans can take part in the European exchange programmes,” said Ibranovic. She said that “youth unemployment is huge across Western Balkan countries and that young people do not have hope that things will change.” Given that political connections are perceived as practically the only criteria to find employment in the public sector, she stressed the importance of working on trust in institutions.

On the youth issue, Danielsson said that education and skills is one of the main issues for reform in the Western Balkans. “This provides for a better workforce and a better environment to fight corruption etc. We are keen to support that and exchange on that is important,” he said.

In terms of the Western Balkans’ EU prospects, Svilanović said that it was important to have some idea, though not necessarily with a precise end date, when the EU integration process will be completed.

Danielsson rejected the idea that the EU was complacent about the Western Balkans’ wish to join the Union. He said that there is a strong political engagement in terms of instruments to address economic issues and to help countries with their reforms. “Reforms in the Western Balkans are more demanding because more people in the Western Balkans don’t want to see the reforms. That explains why our engagement is stronger now,” he said.

THINK LOCAL, ACT REGIONAL

The final session of the summit focused on the role of local authorities and civil society in tackling key challenges in the region. Democracy, peace and stability, as well as economic development, integration and interconnectivity in the Western Balkans do not just depend on the policies and actions of national governments but also on the role of regional, municipal and city authorities. Capacitated local governments with authority and sufficient financial resources play a key role in developing regional and cross-border economies, managing EU funds and implementing EU legislation and reforms. But even as local governments become increasingly active economic and political players with increased responsibilities, they continue to face challenges due to decentralisation, a mismatch of revenue and expenditure management, a lack of investment in infrastructure and weak local institutions.

Tanja Fajon, a Member of the European Parliament Delegation for relations with Bosnia Herzegovina and Kosovo and Trustee of Friends of Europe, said that local authorities have a key role to play in promoting sustainable development. In her view, the whole EU integration project is at a major crossroads as there is a big gap between European policies and citizens. “Citizens see Brussels as a political elite too far from them and we have to bridge that gap. We need to communicate why the enlargement process is important,” she said.

She stressed the importance of engaging civil society (NGOs) as well as young people and was therefore pleased to see youth delegates from the region at this summit.

As for ideas on how to help connect politicians and people, she said that one of the most tangible ways was visa liberalisation as it provides visible results.

It is a challenge for politicians to communicate on the EU accession negotiation chapters, she said. One argument could be that having a healthy economic environment can open up jobs, ensure that people have trust in the economy, can help fight corruption and encourage investment.

“Citizens see Brussels as a political elite too far from them and we have to bridge that gap. We need to communicate why the enlargement process is important”

Tanja Fajon

Member of the European Parliament Delegation for relations with Bosnia Herzegovina and Kosovo and Trustee of Friends of Europe



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1. **Vesna Travljanin**, Secretary-General of the Association of Towns and Municipalities of the Federation of Bosnia and Herzegovina

2. From left to right, **Edi Rama**, Prime Minister, Albania and **Ayse Cihan Suftanoglu**, Assistant Secretary General and Regional Director for Europe and the Commonwealth of Independent States (CIS), United Nations Development Programme (UNDP)

3. In the center: **Andrew Plitt**, Senior Development Advisor, United States European Command (EUCOM) networking during the coffee break

4. From left to right: **Ares Shporta**, Founder and Executive Director of the Lumbardhi Foundation and Member of the Government Council for Cooperation with Civil Society, Kosovo; **Vesna Travljanin**, Secretary General of the Association of Towns and Municipalities of the Federation of Bosnia and Herzegovina; **Arben Taravari**, Mayor of Gostivar; and former Minister for Health of the Former Yugoslav Republic of Macedonia; **Tanja Fajon**, Member of European Parliament Delegation for relations with Bosnia and Herzegovina, and Kosovo and Trustee of Friends of Europe; **Aleksandar Bogdanovic**, Mayor of Old Royal Capital of Cetinje and the President of the Union of Municipalities of Montenegro; **Shada Islam**, Director Europe & Geopolitics at Friends of Europe



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5. From left to right: **Andrew Plitt**, Senior Development Advisor, United States European Command (EUCOM); **Michele Giacomelli**, Special Envoy for the Western Balkans Process, Ministry of Foreign Affairs, Italy; **Edi Rama**, Prime Minister, Albania; **Ayse Cihan Sultanoglu**, Assistant Secretary General and Regional Director for Europe and the Commonwealth of Independent States (CIS), United Nations Development Programme (UNDP); **Thomas Mayr Harting**, Managing Director for Europe and Central Asia at the European External Action Service (EEAS); **Shada Islam**, Director Europe & Geopolitics at Friends of Europe

6. From left to right: **Erna Šošević**, Chief Executive Officer of Bizbook.ba, an online business platform for companies primarily focused on economics and **Miguel Morgado**, Director for the Adriatic Sea Region at the European Investment Bank (EIB)

7. **Irena Djordjevic**, Youth Delegate from Serbia



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“Enlargement of the EU can’t be imagined without cooperation between cities and regions as they are important carriers of the whole process. Regions and cities provide citizens with the most concrete services. Without regional cooperation, we can’t be on the right path towards the EU”

Aleksandar Bogdanovic

Mayor of Old Royal Capital of Cetinje and President of the Union of Municipalities of Montenegro

COOPERATION A PREREQUISITE FOR EU ENLARGEMENT

Local governments in the Western Balkan countries are facing big challenges, including unemployment, youth migration, weak local economic development, corruption, poor local public services, air pollution, climate change and security, said [Arben Taravari](#), Mayor of Gostivar and former Minister for Health of the Former Yugoslav Republic of Macedonia. He argued that local governments lack the financial resources to address these challenges.

He shares concerns with fellow mayors about the lack of attention and support in the EU integration process and hopes that the enlargement package will turn its attention to local authorities. “We need to act regionally and empower local governments to face modern challenges and improve citizens’ lives,” he said.

The local level is very important in all the countries of the Western Balkans. In areas such as water supply, garbage collection, schools and roads, the local level is closest to citizens’ lives, said [Vesna Travljanin](#), Secretary General of the Association of Municipalities and Cities of the Federation of Bosnia and Herzegovina (AMC-FBiH). “I hope that the EU finds a channel to our countries where the local level can express their needs and their role,” she added.

She stressed that local authorities are not consulted on matters relevant to them. “The key is to work more with the local level and have more EU technical assistance so that the local level can carry out what needs to be done,” she said.

“Enlargement of the EU can’t be imagined without cooperation between cities and regions as they are important carriers of the whole process. Regions and cities provide citizens with the most concrete services. Without regional cooperation, we can’t be on the right path towards the EU,” said [Aleksandar Bogdanovic](#), Mayor of Old Royal Capital of Cetinje and President of the Union of Municipalities of Montenegro. He argued that, at the EU level, a new dialogue needs to be opened with local authorities so that they are involved in the whole process from the beginning. Local authorities need more of a voice.

CULTURE CHANGE NEEDED TO BRING PEOPLE TOGETHER

“The problem is to build a democratic culture which is not part of our culture. Cities don’t have capacities to fulfil their tasks,” said [Ares Shporta](#), Founder and Executive Director of the Lumbardhi Foundation, Kosovo. He explained that the Lumbardhi Foundation is working on ways to plan culture in a broader and crosscutting way that covers “a human right to social inclusion, to heritage, to our identities, to what makes us more human and responsible citizens and to have a sense of belonging to the city.”

For now, the only indoor public space in the city is a mosque. “We don’t have indoor space but we need culture to bring people together to discuss ideas for the future,” he said.

[Dmitrije Jovicevic](#), a member of the youth delegation from Montenegro, added that there are challenges regarding reconciliation and peace. Local authorities play a big role in bringing these areas closer to citizens and young people. He described his experience of meeting many young people in the region with extremist attitudes, resulting from past conflicts despite them not having experienced them, and added that many are ready to join radical groups. He said that in the Western Balkan countries there are some local authorities promoting division rather than reconciliation and asked what mechanisms local authorities use to promote reconciliation and peace.

According to Shporta, civil society is “very donor driven” and “donors are countering radical extremism. It’s a long term effort in terms of helping society with jobs and some sort of minimum dignity and quality of life,” he said. Fajon stressed the need to combat growing populism and dissatisfaction with the EU or risk “losing” the Western Balkans region as well as the need for good examples and positive stories from the region.

A representative from the Committee of Regions said that it has a consultative committee with all the EU candidate countries and that it can offer a platform for exchanges between mayors and local authorities.

Bogdanovic said that his local authority involves civil society in almost every project. There is also a chamber of commerce in his city which gives ideas about the implementation of EU standards and application procedures. It offers incentives, such as a partial tax exemption for foreign investors, to attract business.

He provided a further example of a public-private partnership that had developed a business area in an old factory, leading to 150 people being employed in the subsequent months.

“The problem is to build a democratic culture which is not part of our culture. Cities don’t have capacities to fulfil their tasks”

Ares Shporta

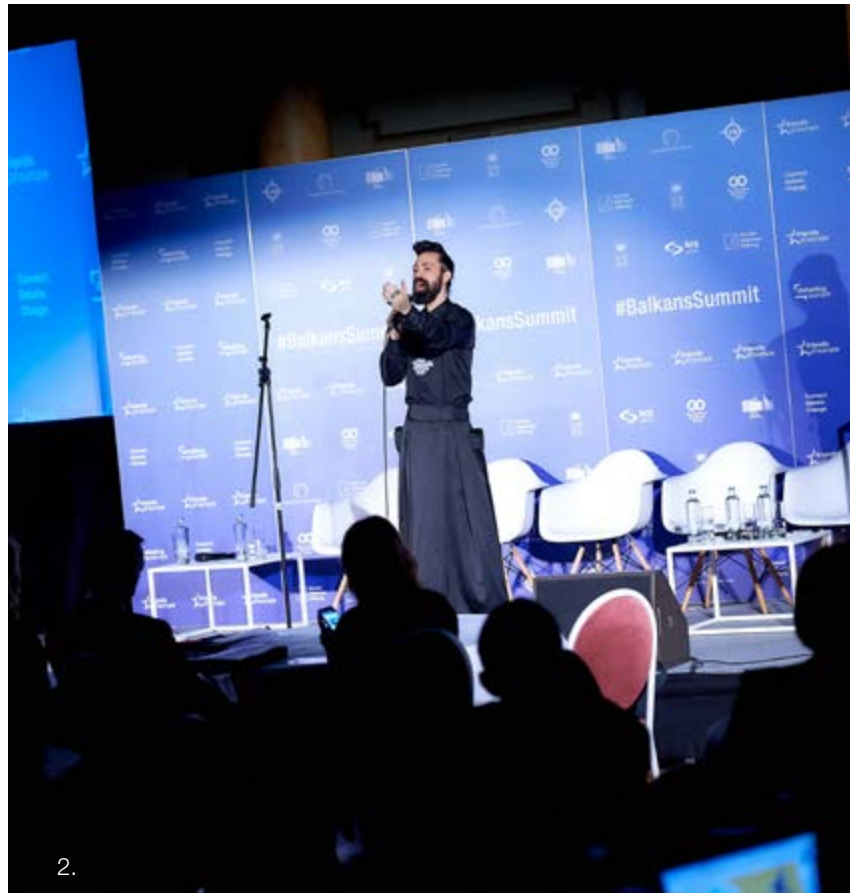
Founder and Executive Director
of the Lumbardhi Foundation, Kosovo



1. From the 2nd session, from left to right: **Lejla Ibranovic**, Executive Director at Transparency International, Bosnia and Herzegovina; **Christian Danielsson**, European Commission Director-General for European Neighbourhood Policy and Enlargement Negotiations and **Goran Svilanovic**, Secretary General of the Regional Cooperation Council (RCC)

2. Sevdalinka concert by **Božo Vrećo**, from Bosnia and Herzegovina

3. From left to right: **Miguel Morgado**, Director for the Adriatic Sea Region at the European Investment Bank (EIB) and **Lejla Ibranovic**, Executive Director at Transparency International, Bosnia and Herzegovina



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LISTEN TO THE PODCAST

CONCLUSION

Some kind of timeline for talks on EU membership with the Western Balkan countries is needed. The prospects for negotiations on EU membership with the countries seem considerably brighter as the EU seems prepared to look outward from its internal crises, such as Brexit. Issues such as rule of law, fighting corruption and judicial reform are likely to be top priorities for the EU in the region. Building resilient societies in the Western Balkans so that the countries are able to deal with internal and external shocks is also needed.

Efforts to ensure peace and reconciliation in the Western Balkans need to be stepped up. Challenges regarding reconciliation and peace will take time and effort. Combatting any possible emergence of radical extremism is important. One possible avenue is for local authorities to play a bigger role in promoting civic awareness and involvement in these issues, especially among the young.

There is a need to act regionally and empower local governments to face modern challenges and improve citizens' access. Consulting local authorities on matters that are relevant to them is important as is giving them more of a voice in the EU integration process.

In general, the region needs strong institutions, increased transparency and accountability of public administration as well as more transparency in public procurement and in the funding of political parties.

Instilling a drive for more economic competition is important. Activities such as entrepreneurship training and mentoring could play a role here and also help tackle high unemployment levels in the region. Recommendations for dealing with high unemployment levels included tackling it via loans, guarantees, creative incubators for start-ups and entrepreneurship training and mentoring. Innovative ways for tackling the problem of high rates of youth unemployment are also needed; engaging with young people and giving them a stake in societies is a key.

FIVE YOUTH RECOMMENDATIONS FOR THE BALKANS TO PROSPERE

EDUCATION, PARTICIPATION AND ECONOMIC GROWTH

Youth play a crucial role in how a country or region may prosper and with that thought in mind, the 2017 edition of our Balkan Summit offered an opportunity for a youth delegation from the region to engage, comment and possibly disagree with their national decision-makers. The delegation included a youth representative from each Western Balkan country, and each delegate provided insightful comments during the debates, and also afterwards – the idea being to offer useful recommendations from youth to decision-makers with the ambition that these recommendations will be implemented.



From left to right: Ina Haxija, Era Jashari, Tanja Grabovac, Dimitrije Jovicevic, Irena Djordjevic, Mare Ushkovska

RECOMMENDATION 1

EDUCATION

The high levels of youth unemployment remain one of the most persistent problems in the Western Balkan countries, with the unemployment rate topping 50% in some states. There are little incentives for young people to stay in their respective countries, making emigration a popular option. This results in a brain drain of well-educated young professionals. However, the significance of the demographically young societies to socio-economic development in the Western Balkans is enormous, as young people could become a strong catalyst for economic growth. For this potential to be realised, the education system needs to be modernised and adapted to the demands of the labour market, providing the Western Balkan youth with an adequate set of skills. More concretely, apart from lowering tuition fees for university education, practical work placements could be integrated in school and university curricula in the form of compulsory remunerated internships. Similarly, investing in additional vocational trainings in public administration and private sector could create more synergies between the education system and employers.

RECOMMENDATION 2

ENTREPRENEURSHIP

Youth entrepreneurship is another important tool to combat high and persistent youth unemployment rates in the Western Balkans and to create a more meritocratic system. Although SMEs form the backbone of every economy, the entrepreneurial spirit in the Western Balkans has not yet been fully developed. In order to provide young people with more economic opportunities in their countries, governments could encourage entrepreneurial skills through early entrepreneurship programmes and educate the youth about the potential of start-ups. Reducing taxes for young entrepreneurs and improving micro-financing policies would create a more business-friendly environment and foster a start-up culture in the Western Balkans. Lastly, innovation could be further stimulated: not only through regional cooperation and best practice exchange but also by connecting start-ups in the Western Balkans with companies from the EU.

RECOMMENDATION 3

PEACE AND RECONCILIATION

The question of reconciliation is not only of international concern but important on national and local level. With regard to the reconciliation and peace building process, the Western Balkan states show progress in this field – but more remains to be done. Boosting the capacities of local school teachers, youth and community workers contributes to better and broader exchange and inclusion. Formal education systems in particular can help in promoting reconciliation and preventing the spread of radicalisation and extremism. More concretely, the “two schools under one roof” approach along ethnic lines could either be abolished in favour of joint education or intercultural educational activities could be made compulsory for students studying in segregated schools in the same communities. Opportunities for intercultural exchanges among youth from different towns on national and regional level could equally be fostered by local authorities. Additionally, the Regional Youth Cooperation Office would need more funding to better contribute to the reconciliation and peace process.

RECOMMENDATION 4 **VALUES, DEMOCRACY AND PARTICIPATION**

It is especially important for young people that the EU sets a credible plan for accession, as the enthusiasm for EU membership in the Western Balkans has been in constant decline over the past decade. In order to create a more democratic culture in the Western Balkans and to further the EU accession process, it is vital to appeal to and include young people in public decision-making and give them more opportunities to actively participate in civil society. Moreover, the inclusion of young people in decision-making processes that affect them directly, like education and employment, reduces their vulnerability to economic, political and social problems. More concretely, a measure such as a mandatory quota dedicated to young and well-educated people to be part of public debates, city hall councils and the national parliaments could bring about a deeper involvement of young people in the governance of the Western Balkans. Formal education can also deliver an understanding of fundamental EU values and democracy by including these issues in daily taught subjects, as could various platforms designed for communication between EU institutions and the Balkan youth.

RECOMMENDATION 5 **FIGHT AGAINST CORRUPTION**

The Western Balkan states are constantly fighting against corruption that is still deeply rooted in local politics, hampering the development of a transparent political system based on the legitimacy of the people rather than personal networks. The ongoing practice of nepotism and bribery in political and societal circles makes it difficult for young people to enter and influence politics, as well as for European and international actors to build trust in the political and judicial procedures in the Western Balkans. Due to a closed circle of elites ruling the country, reforms that would support the strengthening of democracy and transparency are stalled. Corruption thus seems to be the underlying problem that closes politics in these states off from democratic renewal processes that would break personal ties, open the governing system for legitimation by the people and give everyone a chance to legally participate in policy-making.

YOUTH DELEGATION OVERVIEW

Era Jashari

Born in Kosovo, Era obtained a Bachelor in Marketing and Real Estate Management and Infrastructure from the University of Prishtina. Currently, she is completing her Master's program in Marketing. Next to her studies, she has amongst others been active as an International Coordinator for the Young European Federalists, has been working in the Centre for Youth Development and as a Government Relations Officer at the American Chamber of Commerce.

Ina Haxija

Ina comes from Albania and has obtained a Bachelor degree in Political Sciences at the University of Tiara, where she also completed her Master's program in International Relations. Currently, she holds the position of Deputy President of the Youth Forum of the Democratic Party of Albania. Formerly, Ina has been working at the Ministry of Foreign Affairs in Albania and as an office assistant at Tirana's municipality.

Irena Djordjevic

Born in Serbia, Irena complemented her studies in journalism and communications with a Master degree in Terrorism, Organized Crime and Security. Throughout her studies, Irena has received multiple awards, notably a diploma for the best student of generation 2011. After gaining work experience in the field of journalism and communication, Irena now works as a researcher at the National Alliance for Local Economic Development in Serbia.

Mare Ushkovska

Born in Macedonia, Mare is currently a PhD candidate in International Law at the University of Skopje. Prior to that, she has completed her Bachelor and Master studies in Information Technology and Political Science in Skopje, as well as a Master in Public Policy at the University College London. During her studies, Mare has been active in the Youth Forces Union of VMRO-DPMNE, amongst others serving as Vice-President. Additionally, Mare has been working at the Embassy of the Republic of Macedonia in the United Kingdom and as a consultant for the United Nations Development Program in Skopje.

Tanja Grabovac

Coming from Bosnia and Herzegovina Tanja has received her Master's degree in Theology from the University of Zagreb before becoming a PhD candidate at the Karl-Franzens University of Graz. In Sarajevo, Tanja is currently working as an associate for the Network for Building Peace and as a project assistant at Konrad-Adenauer-Stiftung. In addition, she gained work experience as a religious teacher in an elementary school.

Dimitrije Jovicevic

Originally from Montenegro, Dimitrije's strong passion for peace-building led him to pursue studies in Philosophy, Politics and Economics at Ca Foscari University of Venice. He regularly works with youth and international organizations on sustainable development and in 2016 was nominated European youth delegate at the Congress of Local and Regional Authorities of the Council of Europe. Dimitrije is also a Governing Board member of the Regional Youth Cooperation Office (RYCO).



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