

Guest Editorial

The Stabilization and Association Process: The EU's Soft Power at Its Best

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In the world of successful business SAP stands for a range of enterprise software applications and business solutions with the aim of pinpointing inefficiencies and the capability of transforming them into competitive advantages, as well as identifying new opportunities and the agility to respond. In EU parlance, the same acronym is used, for the Stabilization and Association Process (SAP), or rather the EU's policy towards a part of South East Europe. Its success can be gauged by looking at the case of the Republic of Croatia.

With the recent accession of Bulgaria and Romania to the EU, it has become more apparent that South East Europe (SEE) is a region in the heart of an enlarged EU. The eventual accession of SEE countries, still pursuing their individual European integration paths, would complete the territorial integrity of the EU. Euro-Atlantic integration is the foremost important foreign policy goal of all the countries of SEE and at the same time, it is also a catalyst and strong motivating factor in shaping the internal policies of these countries.

After some initial disorientation and hesitation, the EU started shaping its SEE policy in the second half of the 1990s. The so-called Regional Approach first appeared in 1996/1997. This concept placed the regional approach ahead of an individual one. In 1999, we witnessed a shift in policy with the launching of the Stabilization and Association Process which elevated EU policy towards the Republic of Albania, Bosnia and Herzegovina, the Republic of Croatia, the Republic of Macedonia¹ and Serbia and Montenegro, to a higher level and opened the perspective of European integration to the countries of the region.²

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¹ The Republic of Croatia recognizes the Republic of Macedonia under its constitutional name. In official EU documents the name used is the Former Yugoslav Republic of Macedonia (FYROM).

² Background documents on the Regional Approach and Stabilization and Association Process can be found at <ec.europa.eu/enlargement/key_documents/sap_en.htm>.

The Euro-Atlantic integration perspective served the EU, the USA and the wider international community as a means of stabilizing the SEE after a period of conflict. The concept was inspired by the EU's integration experiences with Central and Eastern European nations in the early 1990s, and the vital necessity to include this strategically important region, located in the heart of Europe, into the European mainstream thus helping to bring stability and security to the entire European continent.

The Zagreb Summit at the beginning of the millennium, which for the first time gathered the heads of state or government of the EU and SAP countries, reiterated the European perspective of the SAP countries as the joint declaration stated that all the countries in the region had an open perspective for European integration and that each country's progress towards the EU would depend on its own merits. It was stressed that the perspective of membership could be realized only through vigorous respect for the criteria determined by the European Council in Copenhagen in 1993, as well as through progress achieved in the implementation of the Stabilization and Association Agreement, particularly in the area of regional cooperation. The EU confirmed its willingness to bring about the consolidation of democracy and to support the process of reconciliation and cooperation between the countries in the region. The EU also confirmed that SAP would be the focal point of its policy, and that the Process would undoubtedly benefit countries of the region. Consequently, the EU provided the SEE with an unequivocal, additional motivation for change.

The Thessaloniki Summit in June 2003 reconfirmed the European future of the countries in the region. The European Council reiterated its determination to fully and effectively support the European perspective of the SAP countries; as soon as the established criteria were met, the country would become an integral part of the EU. SAP was enriched by the adoption of the *Thessaloniki Agenda for the Western Balkans: Moving Towards European Integration*, which represented a new and important step in the relationship between the EU and the SAP countries. The overall aim was to further strengthen privileged relations between the EU and the SAP countries, once again drawing from the experiences of enlargement. It was stressed that the SAP would remain the framework for the European course of the nations in question until their eventual accession to the EU. It was also determined that the principles of 'individual merit' and the 'ability of catching up' would be applied parallel to the regional approach.

The SAP countries welcomed the decision by the EU to strengthen its policy towards the region. They particularly welcomed the launching of European Partnerships, as well as enhanced cooperation in the area of political dialogue. The final aim agreed upon was to ensure that the SAP countries were ultimately prepared for their eventual membership in the EU.

Euro-Atlantic integration perspectives of SEE, as well as regional cooperation within that context, have resulted in positive effects of overcoming the legacy of war and post-war hardships. The challenges facing the region at that time were not insignificant: a post-conflict period, an effort at normalizing relations, the process of prosecuting war criminals, the need for mutual reconciliation, the return of refugees, post-war reconstruction, the general transition of the socio-political system and the laying of a foundation for a modern, democratic, pluralistic and market-based society, aimed at achieving standards of developed European states. In less than eight years, the SAP, in addition to the internal efforts of each state involved, has since proven to be a truly successful policy with substantial results achieved throughout the region.

In short, the region has visibly transformed itself. SEE nations have been assuming responsibility for their own stability and future development. However, the situation on the ground still warrants the attention, guidance and valuable assistance, of the EU and its Member States, in the process of democratic, social and economic transformation of the countries in question.

The countries of the region all find themselves at varying stages of progress in their respective EU accession processes. Croatia's progress can best be measured by the advanced stage at which we find ourselves within the European integration process. We believe that this advanced stage places us at the front of the queue for joining the EU, while serving as a model for the rest of the region. Furthermore, Croatia's success demonstrates how effective EU policy can be while providing additional motivation to other SEE countries in their resolve to adhere to the European reform path for achievements bring tangible benefits, not only in the sense of an upgraded relationship with the EU, but in the overall image of the country and its attractiveness for investors.

Since commencing negotiations with the EU, Croatia has successfully completed the required analytical overview or 'screening' of existing legislation, as well as commenced with substantial negotiations in a number of chapters. During this process, the Government of Croatia has undertaken necessary reforms and implemented European standards with the required attention and precision. The results have been generally positive assessments of Croatia's activities by the European Commission in the last Progress report – which stated that Croatia can expect negotiations to proceed at a good pace provided it meets the challenges it is facing. Confirmation by the EU that we are on the right track provides added incentive for our continuing reform efforts. The key areas where challenges remain are: the judiciary, combating corruption and increasing the administrative capacity of the civil service.³

³ An overview of Croatia's progress in the accession negotiations can be found under <www.eu-pregovori.hr>.

Croatia is the recognized leader in the region, not only for its progress towards EU membership, but also in all activities directed at the development of regional cooperation, the resolution of bilateral issues and assisting other states in their Euro-Atlantic integration efforts.

Croatia's presidency of the Southeast European Cooperation Process (SEECF), a process that originated in the region itself, is also indicative of our dedication to regional cooperation. SEECF was created to promote good neighbourly relations and cooperation in the SEE, based on a strong European orientation. This Process ensures continued political focus on the all-encompassing goal of achieving peace, stability, development and the promotion of the democratic and economic potential in the region. During Croatia's incumbent presidency, institutional arrangements for regional cooperation will undergo a major overhaul with the primary objective of having the region assume responsibility for the region itself.

Strong economies are conducive to creating lasting stability. That is why Croatia strongly advocated the enlargement of the Central European Free Trade Agreement (CEFTA) to include all of the countries of SEE. Our desire and initiative aimed at strengthening economic cooperation in the region, resulted in the signing of the 'new CEFTA' by ten parties from the region, in Bucharest, last December. The liberalization and facilitation of trade within the SEE will serve as a positive stimulus for preparing the opening of our markets to the larger and more competitive EU market.

Over the past several years, Croatia has signed special cooperation agreements related to European integration assistance with all the countries of the region, as well as with other countries such as Georgia, that share similar aspirations. As a result of these agreements, Croatia provides assistance programmes and education aimed at assisting the EU-oriented reform and accession process. Such information and experience sharing is particularly useful, as a number of these countries were founded on the same or similar social model and face similar challenges in carrying out reforms.

It would be more than accurate to say that Croatia has confirmed its maturity and competence in the reforms carried out thus far. Our political stability and readiness to assume responsibility, not only for our own development, but also for improving the overall situation in the region, are a testament to that maturity and competence.

Croatia's experience and its envisaged way forward have not been without challenges and uncertainties. Our role as icebreaker for new enlargement practices is surely not an enviable one, particularly as the accession process has become more complex and demanding.

As a country negotiating membership in the EU, Croatia is closely following the EU's quest for new institutional and policy arrangements. A solution to these matters is in Croatia's interest as we would like to see our country enter

a dynamic and efficient Union before the end of decade. Croatia hopes that in line with the envisaged timeline, institutional issues will be resolved by 2008, which would hopefully coincide with the conclusion of Croatia's accession negotiations. However, regardless of the outcome of this debate, we believe there are options for the enlargement process to continue, particularly in light of existing commitments.

The merits of previous enlargements are undeniable – the EU has emerged stronger with each enlargement. Following each enlargement, the zone of peace, stability and prosperity in Europe has been extended and the role of the EU on the global scene has been strengthened. Benefits have gone both ways. We hope that enlargement, as one of the EU's most successful policies, will be kept high on the EU priority list for the future. That is why we need to communicate to the European public, as well as to prospective Member States, that it is enlargement that can secure Europe's strong position in the world and a better future for us all.

The process of European unification definitely would not be complete without the SEE countries. For these countries, the clear perspective of EU membership is a strong motivator for continuing with difficult reforms. Therefore, commitment on the part of the EU to anchor SEE in the European mainstream must remain strong and unwavering. Conclusions of the European Council from December 2006, which reaffirmed that the future of the region lies in the European Union, help to reinforce that commitment.

The EU has made clear commitments to South East Europe and the region expects these commitments to be fulfilled. Croatia's example is proof that the European perspective is not a mirage, but rather something truly tangible that can be realized with one's own substantial efforts.