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Regional Cooperation Dimension
in the Berlin Process:
2014 - ongoing

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I. Berlin Process: from bilateral disputes to inclusive regional cooperation

Regional Cooperation has been since the very beginning a cornerstone of the Berlin Process (BP) appearing as a core topic since the August 2014 Western Balkans Summit.

During the preparation of the **2015 Vienna Summit** it is transport Connectivity and Youth that took center stage. But bilateral disputes remain in the agenda. Regional cooperation is dealt with indirectly through the preparation of EU Transport extension with the Western Balkans 6 (WB6) and of the methodology of National Single Project pipeline.

Migration becomes an important issue of coordination between WB6 and EU during the preparation of **2016 Paris Summit**, while dealing with bilateral disputes remain high in the regional cooperation agenda. However main progress is registered in migration and Connectivity agenda (with the announcement of 3 new railway projects).

Regional economic integration becomes operational at the **Trieste Summit in 2017**. In Trieste the Multi-annual Action Plan (MAP) for a Regional Economic Area (REA) is adopted; the Treaty Establishing Transport Community is signed, and 7 additional connectivity investment projects agreed upon; and Connecting Europe Facility (CEF) is mobilized for the first time.

Building up on Trieste Summit results, on August in Durrës a 115-point plan (a road map to deepen regional economic cooperation) is agreed upon; and in October 2017 there is a meeting of MAP REA coordinators to discuss the implementation of Action Plan. Always on regional cooperation, the RCC starts the technical preparation of mutual recognition of professional and academic qualifications, and of the establishment of a WB6 single roaming space. Finally in December in Brussels, Berlin Process sherpas present the Monitoring reports on MAP for the REA (and Connectivity agenda implementation plans) as well as the implementation plans.

While preparing for the **London 2018 Summit**, bilateral issues pop up again in March as a topic of the informal meeting of WB6 Ministers of Foreign Affairs. But most importantly, in June 14 the first Joint Working Group on recognition of Academic Qualifications takes place in Brussels where Ministries of Education officials start discussing the principles and steps towards mutual recognition of academic qualifications. Immediately after on June 26, WB6 Ministers of Education and Science together with EC, RCC, OECD, RYCO and ETF endorse key principles on automatic recognition of academic qualifications in the Western Balkans.

On July 4th, 2018, WB6 Economy and Finance Ministers, representatives of BP MS governments, EC, the IFIs, regional and international organisations discuss on the implementation of MAP REA. Finally regional cooperation is solidly on the rails.

In the London Summit topics, regional cooperation appears by the side of “*good neighbourly relations, missing persons and war crimes*”. In November there is the 1st stocktaking seminar on bilateral issues in Vienna where reporting procedures, templates and establishment of a system of focal points is agreed upon.

So, by the end of 2018, the Berlin Process contains two complementary mechanisms supporting the cooperation and normalisation between WB6 countries: one dealing with “*sector*” issues under the umbrella of regional cooperation and another one dealing with *the “political”* issue covering bilateral disputes.

In 2019, the Polish presidency keeps advancing on both mechanisms: to prepare the Poznan Summit report, the 2nd stocktaking seminar on bilateral issues takes place in Skopje; while regional cooperation on the education and training remains at the centre of BP activities with the Belgrade 3rd and 4th Ministerial of Education.

However, in **2019 Poznan Summit Leaders forum**, regional cooperation and bilateral disputes remain in the backstage. It is the Civil Society Forum (CSF) and the Business Forum that keep regional cooperation and REA MAP in the Berlin Process agenda.

Disrupted by the pandemic, it was Covid 19 that conditioned **2020 Skopje – Sofia Summit**. Regional bilateral disputes were mentioned in the last in-site event organized in Skopje on 8-10 March 2020. In November, one week after the Ministers of Economy discussed the Economic and Investment Plan and the upcoming Common Regional Market (CRM), it is signed in Sofia the Declaration on CRM. Sofia Declaration marks the WB6 regional cooperation breakthrough moment as the WB6 leaders declare their “...*commitment to inclusive regional cooperation*” and to the “...*free movement of goods, services, capital and people*” in the region, “...*aligning further with EU rules and standards*”.

Always online, the **2021 Berlin Summit** zoomed in on regional cooperation and on implementation of CRM. The Foreign Ministers 8th June meeting brought in the topics of regional cooperation, connectivity and EU Enlargement. Later on that month, the Ministers of Economy conference focuses on CRM contribution to WB6 competitiveness and on the need to provide impetus in strategic areas of cooperation.

The **2022 Berlin Summit** provides the first fruits of CRM as 3 Mobility Agreements are signed. As a “*driver of regional cooperation and accelerator of the EU integration process*” and “*in order to harness the full potential of improved and inclusive regional cooperation*”, all the participants wish for it to continue. From now on, Berlin Process advances into the CRM implementation phase.

Tirana Summit in 2023, underlined the importance of regional cooperation by the signature of a 4th CRM mobility agreement. Under the shadow of Kosovo – Serbia dispute, the *“regional economic integration through the CRM”* and the progress with regard to Ratification / Adoption / Approval of 3MA, took center stage (together with the announcement of the upcoming Growth Plan, Green Agenda, and Value Chain Partnership).

In Tirana the *“economic integration of the Western Balkans with EU single market [becomes] a strategic development priority”* and the progress in CRM provides the pathway to it. To that end the CRM Action Plan is inspired by and based upon the EU four freedoms.

Coupled with the CRM moving into implementation phase and by supporting EU negotiations of WB6 candidate countries on Single Market, for the 2nd time Berlin Process clearly puts its political will at the service of Enlargement (the first time was the promotion of Western Balkans TEN-T Corridor into EU Core TEN-T network adopted by EU in December 2022). In that way both regional cooperation and connectivity (in transport) complete their inclusion into the Enlargement policies. With the publication of the Growth Plan (GP), the regional cooperation in CEFTA becomes a condition for accessing GP funds. By becoming part of Enlargement policies and respective support budgets, CRM is now an integral part of Enlargement.

In conclusion, while in 2014 the Berlin Process started with focus on bilateral disputes, quite soon it became clear that it was regional cooperation angle that was the way to progress. Gradually BP provided an alternative and a useful platform for WB6 to not only complete technically regional cooperation agreements, but also to sign and ratify them. Putting aside bilateral blockages proved useful in reaching agreements in six, proving than inclusive regional cooperation is feasible. From 2022 Berlin Summit onwards, the CRM focus now has shifted towards implementation and signature of CEFTA-prepared agreements.

Meanwhile the Open Balkans came into existence and *“fulfilled its mission”*, not without being noticed and, eventually, contributing in its own way to WB6 regional cooperation and Western Balkans empowerment.

II. The Open Balkans: 10 October 2019, Novi Sad – 1 July 2023, Tirana

Initially under the given name of “Mini-Schengen”, the governments of Serbia, Albania and North Macedonia announced their intent to further progress with regional cooperation in Novi Sad in October 2019. They announced that the newborn grouping was open to whomever wanted to join.

Intended to overcome the blockages met in CEFTA, it initially focussed on trade of goods, movement of capital and of people. Hindered by Covid 19, until the end of 2022 five Open Balkans Initiative (OBI) summits were held at which six memorandums of cooperation were issued, seven agreements were signed, and two plans were adopted.

De facto they added Albania to Serbia – North Macedonia already existing and well-advanced bilateral cooperation (i.e. the case of bilateral Serbia – North Macedonia agreement on mutual recognition of AEO’s authorization), but stopped short of eliminating the border crossing formalities & controls.

On **free movement of workers and services** while the signed OBI memorandum sets a framework for the liberalisation of labour markets through the harmonisation of national laws, abolishes work permits, and simplifies resident permit procedures, it does not allow for full free movement - WB6 citizen still will need a residence permit in line with legislation of the country which prevents equal access as compared to nationals.

The **agreement on mutual recognition of diplomas** while it facilitates individual’s access to regional labour market, does not allow for automatic recognition of diplomas or scientific degrees. Another feature of free movement of services is the absence of clarification about the implementation steps and / of respective action plans.

Although a commendable original push for more regional cooperation, **what sets aside OB from the Berlin Process** is its partial inclusiveness, incomplete implementation sequencing, poor process governance and patchy alignment with EU acquis. For example, in the Agreement on freedom of movement with identity cards in the Western Balkans is not stipulated how free movement will be guaranteed in practice, leaving its detailed regulations to further protocols that will be adopted by a special body, i.e. the Commission. There is no obligation to follow any harmonization of EU requirements or regulations with regards to free movement of persons. A more problematic issue however remains the failure of the agreement to refer to forgery, protection of personal data and other security issues. Having into consideration that this agreement contains provision of the exchange of ID specimen among signatory countries, as well as electronic reading of an identity card and recording of data, due attention should have been paid to security.

Moreover, there is no provision on dispute resolution mechanism and it is not clear who will serve as dispute resolution body in case of conflict (the Commission, RCC or CEFTA).

The Agreement on the recognition of higher education qualifications establishes a framework of coordination rather than providing hard core provisions with specific rights and obligations for the parties. The recognition of a foreign diploma is based on the principle of correspondence and flexibility (Art. 2III) and on collaboration between the domestic recognition centers (Art. 5).

Differently from the previous agreements, the OBI agreement on the recognition of professional qualifications of doctors of medicine, doctors of dental medicine and architects in CEFTA is more specific. It contains rights and obligations, not only for contracting parties but also for professionals.

What is important to note is that in its preamble there is a clear reference to the CEFTA, to the CRM action Plan and to EU harmonization process.

At the substantive level, with the exception of the agreement on recognition of professional qualification of doctors, architects and dentists, there is no specific reference to the protection of data, prevention of forgery, illegal migration and to other security issues related to the proper implementation of these agreements.

Meanwhile it is important to note that at least in the three respective agreements, the contracting Member States have been determined to distinguish the initiatives as a wholly domestic product, making no overt mention to their obligation to take into consideration the EU *acquis* in the relevant subject.

On July 1st, 2023, Albania PM Rama announced the end of OBI claiming that it had "*fulfilled its mission*", and the need from now on to focus on the Berlin Process. With Albania opting out, Open Balkans became *de facto* an enhanced bilateral set of agreements between Serbia and North Macedonia.

OBI legacy is nevertheless important and goes well beyond the promotion of specific domestic products or projects. First it provided an example that when there is a political will in the region, things can move forward (or do not move at all as Kosovo, Montenegro and BiH showed by refusing to join OBI). Second, OBI left in its trail a set of by-laws that may overlap with the transposition of Berlin Process CRM agreements into national legal framework of Serbia, North Macedonia and Albania. Third it made visible the fact that to be viable, regional cooperation initiatives in Western Balkans need to be coordinated with and wherever possible supported by the EU and / or EU Member States.

In the end, the Open Balkan episode indicated the difficulty of designing, implementing and operating a viable regional cooperation endeavor that falls within contracting parties obligations towards the EU (such as the four freedoms) without - at least - associating EU to it.

III. The Growth Plan 2023

The Growth Plan presented in November 2023 makes Enlargement assistance conditional to regional cooperation. Economic integration with EU single market and regional integration through CRM will be supported through a specific reform and growth facility. However EU assistance will be conditioned by: i) progress in country reforms, and; ii) progress in CRM.

Seven priority actions are defined aiming at WB6 integration into EU Single Market, where regional cooperation is covered by free movement of goods, of services and workers. It is clearly stipulated that all WB countries should participate in single market EU programs. Full commitment to CRM is singled out as decisive factor in benefiting from the growth plan. In that angle, it is worth noting that CEFTA has been reaffirmed as the key governance mechanism of Growth Plan regional cooperation component.

IV. Intermediary conclusion

The innovative format of **“willing EU Member States”** applied in the Berlin Process turbo-charged the regional cooperation component. The appointment of a Special Envoy by Germany and the subsequent strategy **shift from bilateral disputes to inclusive regional cooperation**, provided that missing elements that brought the signature of CRM 3MA in November 2022 by all WB6.

The **German push for an agreement in six**, revitalized the regional dimension of four freedoms all by complementing the EU Negotiations bilateral approach that promotes full alignment of each country with the Single Market.

Finally, having achieved the signature of 4 CRM mobility agreement (now in the implementation step) in a situation when bilateral disputes are still ongoing, marks a **shift from “accountability” approach towards “policy learning”** in WB6 regional cooperation. The very strong conditionality on regional cooperation included in the Growth plan is the main indicator of that development.

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