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Welcome to the Workshop on Serbia's regional politics – on the neighborly relationship between Serbia and Croatia

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Dear Mr. Ambassador, Distinguished Guests, Ladies and Gentlemen,

Welcome to this roundtable about “Serbian-Croatian relationship – implications of Croatia’s accession to the EU for Serbia”. This is the second roundtable of a series which is dealing with Serbia’s regional politics on its way to entering the European Union.

This roundtable, as well as the entire series, is organized by Heinrich Böll Foundation in cooperation with European Movement Serbia, Democratization Policy Council (Washington-Berlin), and Center for Foreign Policy Belgrade.

Balkan neighbours Serbia and Croatia, whose relations have been historically tense and deteriorated leading up to the 1990s war, may be on their way to warming up ties and becoming the locomotive of a reinvigorated integration of the Western Balkans into the European mainstream. Traditionally suspicious of each other – after sharing the same Yugoslav roof for decades and Yugoslavia’s collapse in bloody warfare in 1991-95 – Serbia and Croatia now share the same foreign policy priority which brings them together – EU membership. The two republics are the largest of former Yugoslavia and, naturally, the most powerful players in the Western Balkans. A commitment on their part to reconcile old memories in the name of new pragmatic, European-style partnership could also work to position their neighbors Kosovo, Macedonia, Montenegro, Albania, and especially Bosnia, more firmly on their respective EU accession paths.

This more pragmatic approach has been fostered by Mr. Milanović’s visit to Belgrade in March. It was the first visit by a Croatian Prime Minister since March 2009, and was seen as a step within the gradual improvement of relations.

It would mean a further step of developing good neighborly relations if Serbian President Nikolić and Prime Minister Dačić decide to attend the EU accession ceremony in Zagreb on 30 June. By this time, Serbia should receive a concrete date or at least a green light for the start of negotiations with the EU. Thus the Serbian people might perceive the EU accession of Croatia as a positive signal – a signal that joining the EU in the midst of a crisis – the crisis of Serbian economy as well as the crisis of the EU – is possible and wanted.

Between Serbia and Croatia there are some well established networks and frameworks for cooperation. Let me just mention

- **Regional Cooperation Council** with its Secretariat in Sarajevo - mainly dealing with economic development, security cooperation, fight against corruption and organized crime, infrastructure, energy.

Even more important is

- **CEFTA, Central European Free Trade Association** between non-EU countries in South East Europe.

The economic consequences of Croatia's entry into the EU for regional cooperation with Serbia are rightly considered to be crucial - after a long time during which economic development have been neglected under the predominance of exploiting nationalistic feelings and hatred. So the questions at hand are:

- Will business relations between Serbia and other CEFTA countries essentially change after Croatia's accession to the EU?
- Which provisions will become invalid after Croatia leaves CEFTA, and which ones will be imposed by application of the Stabilization and Association Agreement?
- Will Serbian agricultural production be endangered after Croatia joins the EU?
- Do CEFTA countries plan further trade liberalization and reduction of duties to so-called zero rate after Croatia joins the EU?
- Would further trade liberalization and reducing the customs to zero rate endanger the producers in CEFTA countries?
- Do businessmen plan to relocate production from Croatia to other countries in the region?
- Is this the opportunity for Serbian businessmen to win the market of Bosnia and Herzegovina?
- After July 1, Serbia will record even higher trade surplus with CEFTA countries and further growth of trade deficit with the EU countries. What is the government's plan?
- Could Serbia – after July 1st – become a major player in the regional market?
- Will the number of Serbian investors increase in Croatia after its accession to the EU, and will Croatian businessmen relocate their production to Serbia in order to have access to the Russian market, as well?
- Croatia's EU accession will change Serbian's position in the CEFTA region: although the EU is the first trade partner of Serbia with an export share of 56 percent and CEFTA with a share of about 17 percent.
- Will Serbian companies get access to participating in Croatia's bidding processes?

Economic development through economic cooperation will play an important role in this roundtable discussion. However, there are some other important areas of cooperation which should be just mentioned here:

Cooperation for Transitional Justice

- Serbia's and Croatia's war crimes victims, witnesses and perpetrators are located in different countries. This prevents the implementation of any mechanism of transitional justice without intergovernmental cooperation. Significant steps were made in the area of cooperation of specialized prosecutor's offices for war crimes, police departments

involved in the capture of the accused, international judicial assistance (arresting and extradition), but these relationships are still encumbered by insufficient mutual trust and cooperation.

- Agreement on how to deal with the archives of the security services of former Yugoslavia; when and under which provisions should these materials of utmost historical importance and high relevance for transitional justice be available, and for whom?

Cultural Cooperation

Cultural exchange between Croatia and Serbia has been developed during the last years. But still, much is left to be done - like the joint presentation of cultures of both countries and the restitution of cultural heritage.

Education and Science

- The harmonization of regulations and practice of both countries with the educational policy of the European Union (according to the Bologna Declaration) could improve the educational system;
- A good idea could be the support to the development of science in the region by forming common funds and financing of regional scientific projects;
- Education should play an active role in the establishment of trust among countries of the Western Balkans and overcoming of the past heritage. In this context special attention should be paid to initiatives for the removal of discriminatory contents from syllabuses, and official textbooks, and to initiatives for the harmonization of contents of training units within subjects which deal with topics from the joint past of the countries.

Youth Policy Cooperation Forum

In all Balkan countries, the youth expresses the highest level of xenophobia, isolationism and prejudices towards other ethnical or religious groups in the region. Measures to improve their situation – in particular to overcome youth unemployment - are urgently needed. For example:

- Removal of obstacles to free movement of the youth in the region;
- Strengthening of the cooperation between the youth and institutions in charge of carrying out the youth policy;
- Improvement of the quality of life of the youth at the regional level;
- Struggle against violence among the youth;
- Destruction of prejudices and stereotypes about others in the region;
- A good idea could be the promotion of establishment of a Regional Youth Mobility Fund based on the model of German-French cooperation after World War II. The Fund should be the joint initiative of Croatia and Serbia with the perspective of including all countries of the region; it should serve to the strengthening of relationships of young people through their work and stay in neighboring countries, meeting other people and culture and overcoming prejudices arisen as consequences of wars from the 1990s. The

Mobility Fund would be also a strong mechanism for providing guarantees for non repeat of crimes from the past.

These are just a few ideas we could focus on in the second part of this workshop.

Finally, I would like to thank my colleague Paola Petrić from the Heinrich Böll Stiftung, and our partners with whom we have organized this conference, namely Maja Bobić and Svetlana Stefanović from European Movement Serbia, and Bodo Weber from Democratization Policy Council. Again, it was a pleasure working with you in the interest of a rapprochement between Serbia and the European Union.

I am looking forward to a lively and productive discussion. Good for you but bad for me, this discussion will take place in your Serbian-Croatian language which I do not understand sufficiently. But that's not so bad. After all, there will be a detailed report of this conference in English.

Thank you for your attention. I now give the floor to Bodo Weber.