

# Procedure file

Basic information	
CNS - Consultation procedure Regulation	2003/0267(CNS) Procedure completed
Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process Amended by <a href="#">2005/0226(CNS)</a> Amended by <a href="#">2007/0239(CNS)</a>	
Subject 6.40.03 Relations with South-East Europe and the Balkans	
Geographical area Serbia and Montenegro, until 02/2003 Croatia Former Yugoslav Republic of Macedonia Albania Bosnia and Herzegovina	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>AFET</b> Foreign Affairs, Human Rights, Common Security, Defense	V/ALE <a href="#">LAGENDIJK Joost</a>	26/11/2003
Council of the European Union	Committee for opinion	Rapporteur for opinion	Appointed
	<b>ITRE</b> Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
European Commission	Commission DG External Relations	Commissioner	

Key events			
13/11/2003	Legislative proposal published	<a href="#">COM(2003)0684</a>	Summary
03/12/2003	Committee referral announced in Parliament		
24/02/2004	Vote in committee		Summary
24/02/2004	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A5-0112/2004</a>	
09/03/2004	Debate in Parliament		
10/03/2004	Decision by Parliament	<a href="#">T5-0158/2004</a>	Summary
22/03/2004	Act adopted by Council after consultation of Parliament		

22/03/2004	End of procedure in Parliament		
24/03/2004	Final act published in Official Journal		

Technical information	
Procedure reference	2003/0267(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by <a href="#">2005/0226(CNS)</a> Amended by <a href="#">2007/0239(CNS)</a>
Legal basis	EC Treaty (after Amsterdam) EC 181A-p2
Stage reached in procedure	Procedure completed
Committee dossier	AFET/5/20357

Documentation gateway					
Legislative proposal		<a href="#">COM(2003)0684</a>	13/11/2003	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A5-0112/2004</a>	24/02/2004	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T5-0158/2004</a> <a href="#">OJ C 102 28.04.2004, p. 0518-0566 E</a>	10/03/2004	EP	Summary
Follow-up document		<a href="#">COM(2005)0476</a>	12/04/2005	EC	Summary

Additional information	
European Commission	<a href="#">EUR-Lex</a>

Final act
<a href="#">Regulation 2004/533</a> <a href="#">OJ L 086 24.03.2004, p. 0001-0002</a> Summary

## Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process

**PURPOSE** : to establish European Partnerships for the countries participating in the Stabilisation and Association process (SAP), being Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia and Serbia and Montenegro including Kosovo as defined by the United Nations Security Council Resolution 1244 of 10 June 1999. **PROPOSED ACT** : Council Regulation. **CONTENT** : the Thessaloniki European Council of 19 and 20 June 2003 reiterated its determination to support the European perspective of the Western Balkan countries and stated that the Western Balkans countries will become an integral part of the EU, once they meet the established criteria. It endorsed the introduction of European Partnerships for the above-mentioned countries. The priorities of the European Partnerships will be based on the Commission's political, economic and strategic priorities in the light of the assessments in the Annual Reports, with due consideration to the criteria defined by the European Council and to issues particular to the Western Balkans. The European Partnerships will identify priorities for action in supporting efforts to move closer to the European Union and serve as a checklist against which to measure progress. They will reflect the particular stage of development of each country, be tailored to their specific needs and be drawn up following contacts with the countries concerned. The countries would be expected to respond to the European Partnerships by preparing and implementing plans with a timetable and details of how they intend to address the European Partnership's priorities in terms of financial and human resources. The progress in implementing the priorities will be monitored regularly by the Commission, notably in the Annual Reports and through the structures set up under the SAP. This proposal establishes the legal base to draw up European Partnerships for the countries

of the Western Balkans to be adopted by the Council by qualified majority. The priorities of the European Partnerships will also be adopted by the Council by qualified majority. The proposed framework regulation has no financial implications. Community assistance will continue to be the assistance provided for under existing financial instrument(s), in particular Council Regulation 2666/2000/EC (CARDS).?

## Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process

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The committee adopted the report by Joost LAGENDIJK (Greens/EFA, NL) broadly approving the proposal under the consultation procedure, subject to a few amendments. It felt that the introductory article should stipulate that the European Partnerships "shall represent a further, visible step in these countries' preparation for complete integration into the European Union". Although the CARDS regulation remained the legal basis for financial assistance, the committee said that the Partnerships should contain an explicit reference to the EU budget resources available to assist the country concerned in implementing the priorities and objectives identified. MEPs also called for Parliament to be consulted on the principles, priorities and conditions to be contained in the European Partnerships as well as on any subsequent adjustments. Lastly, they said that the legal base of the CARDS programme should be adjusted in order to ensure the financing of the priorities and conditions of the Partnerships.?

## Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process

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The European Parliament adopted the resolution drafted by Joost LAGENDIJK (Greens/EFA, NL) and made some amendments to the proposal. (Please see the document dated 24/02/04.) To clarify, Parliament inserted an amendment stating that should it not be possible for the principles, priorities and conditions contained in the European Partnerships to be financed under the CARDS Regulation (Regulation 2666/2000), the Council, after consulting the European Parliament, shall amend that Regulation.?

## Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process

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PURPOSE : to establish European partnerships in the framework of the stabilisation and association process. LEGISLATIVE ACT : Council Regulation 533/2004/EC on the establishment of European partnerships in the framework of the stabilisation and association process. CONTENT : the Council adopted this Regulation on the establishment of European Partnerships within the framework of the Stabilisation and Association Process for the countries of the Western Balkans: Albania, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia and Serbia and Montenegro, including Kosovo. The European Partnerships will identify priorities for action to enable the further integration of these countries into the European Union, in the light of criteria defined by the European Council. They will be adapted to the countries' specific needs and to the specificities of the Stabilisation and Association Process, including regional cooperation. Informal consultations will be held in preparing the partnerships with the countries concerned as well as, where appropriate, with the international community. It should be noted that the follow-up of these European partnerships is ensured within the framework of the mechanisms established under the stabilisation and association process, notably the annual reports on the stabilisation and association process. The Council shall decide by qualified majority on a proposal from the Commission, the principles, priorities and conditions to be contained in the European partnerships, as well as any subsequent adjustments. ENTRY INTO FORCE : 27 March 2004.?

## Relations EU/Western Balkan countries: partnerships in the framework of the stabilisation and the association process

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The Stabilisation and Association process (SAP), which was confirmed at the Thessaloniki Summit in June 2003 as the European Union's policy framework for South Eastern Europe until accession to the EU, provides for the establishment of the Stabilisation and Association Agreements (SAA). This Communication assesses whether Serbia and Montenegro has progressed sufficiently in meeting the SAP political and economic criteria and in developing the capacity to negotiate meaningfully and subsequently implement successfully such an agreement.

The paper begins by discussing current relations between the European Union and Serbia and Montenegro, and describes the twin-track approach in the Stabilisation and Association process, the approach being a response to the complex institutional structure and division of competences between the State Union and the two constituent Republics. It makes it clear that the twin-track approach does not prejudge the future of the State Union. The Constitutional Charter includes a clause whereby each Republic has the right to withdraw from the State Union. This clause features a clear time indication: the relevant proceedings can be initiated only after the expiry of a three-year period commencing from the adoption of the Charter in February 2003. Such a withdrawal would be subject to a referendum held in the Republic invoking the clause. The existence of this option is not per se an obstacle to progress towards contractual relations with Serbia and Montenegro under the twin-track approach. It will, however, require a constructive attitude and strong political commitment on all sides to ensure Serbia and Montenegro's capacity to engage in negotiations to establish contractual relations with the EU.

The paper goes on to discuss the current status of Kosovo and states that an SAA with Serbia and Montenegro cannot apply to Kosovo. Therefore this Feasibility Study does not assess the situation in Kosovo. Regardless of the conclusion of an SAA with Serbia and Montenegro, Kosovo will continue to benefit from the various instruments of the SAP. Kosovo is currently covered by the various basic elements of the SAP (trade preferences, EC assistance and reform dialogue).

The Commission then makes an assessment of the political criteria, the economic criteria, and the ability to assume the obligations resulting from an SAA. Its overall conclusions are as follows.

Since the fall of the Milosevic regime, Serbia and Montenegro has progressed significantly in the SAP political and economic criteria and in developing the capacity to negotiate and implement a Stabilisation and Association Agreement. The reform process remains fragile, however, particularly because of the legacy of the past regime. The Commission considers that Serbia and Montenegro is sufficiently prepared to negotiate an SAA. Therefore, the Commission recommends to the Council the opening of negotiations and will accordingly present a draft mandate. However, Serbia and Montenegro needs to continue, in a sustained way, its preparation as outlined in the Communication with a view to the negotiations. In particular, the Republics of Serbia and Montenegro need to provide the Commission with a clear description of their respective trade regimes in full respect of the standstill clause in the Autonomous Trade Measures. The described levels of trade protection will form the basis for the negotiation of the liberalisation schedule. In order to progress through the various stages of the process Serbia and Montenegro must continue to co-operate with the ICTY, and achieve full cooperation without delay. The State Union and the two Republics should continue to implement the European Partnership priorities through its Action Plan.

The pace at which a country draws closer to the EU depends essentially on its speed in adopting and implementing the necessary reforms. Continued focus by the authorities on European integration is, therefore, key to the sustainability of the process. In line with the European Partnership, the authorities should pay special attention to, and make further significant progress concerning, the following issues

that are particularly relevant for an SAA:

- with regard to constitutional issues, the common understanding of Serbia and Montenegro's authorities at the level of the State Union and of the Republics on the Constitutional Charter and in particular on the distribution of powers enshrined in the Constitutional Charter should be followed by consistent and constructive implementation. The State Union level and the two Republics need to further coordinate their efforts to benefit fully from the twin-track approach in negotiating an SAA. The revision of the Constitutions of the two Republics needs to proceed smoothly and in line with European standards;

- the democratic functioning of the parliaments and executives needs to be strengthened. The role of European Integration structures at the administrative, governmental and parliamentary levels needs to be reinforced so that the compatibility of legislation with EU norms is more systematically ensured;

- as regards human rights and the protection of the minorities, continued concerted efforts need to be made, notably as concerns the situation of internally displaced persons and refugees;

- sustained efforts must be made to reform the public administration, to ensure budgetary sustainability and develop a stable, professional and independent civil service, in particular in Montenegro. Both Republics must fully commit themselves to sustaining legal and economic reforms and strengthening administrative capacity particularly competition, intellectual property rights, public procurement, customs and taxation. Both Republics need to pursue with determination the reform of the judiciary as well as of the police and security services. The fight against organised crime and corruption must be stepped up and it should deliver concrete results;

- there is a need for further clarification of the articulation of competences in practice between the State Union and the Republics in a number of areas including intellectual property rights, standardisation, visa, asylum, migration and integrated border management.

Should the Commission note at any time that the State Union and republican authorities have not lived up to their commitments and have not satisfactorily addressed the issues highlighted in this Communication, it will propose to the Council that the negotiations be suspended.