



EUSR holds a lecture at the Kosovo School for European Integration

April 16, 2009

“EU Presences and Partnership with the Kosovo Government”

Ladies and Gentlemen,

Thank you for your invitation to present my thoughts on Kosovo’s EU perspective and the partnership of EU presences with the Kosovo Government.

My understanding is that you are all attending this program of the European Integration school in addition to your daytime jobs. This initiative on your part is indicative of your strong desire to engage in serious dialogue on important challenges that the EU integration process entails.

Allow me to share my views on recent developments in this respect before I take your questions and also hear your views.

EU commitment in Kosovo

You are all aware of the three EU actors that are now on the ground in Kosovo and fully deployed. They highlight three major EU commitments, a *“political commitment”*, which is represented by myself as the EUSR, the representative of all 27 member states here in Kosovo to provide local political guidance and to promote overall coordination of EU presences.

An *“operational”* commitment represented by the largest civilian mission deployed by the European Union, the EULEX mission, which altogether has about 3000 staff and will support the Kosovo rule of law institutions in the areas of police, justice and customs.

Finally, the *“reform-driving”* commitment by the Liaison Office of the European Commission which deploys the enlargement tools under the Stabilization and Association process and drives reforms through regular policy and technical dialogue.

Suffice it to say that our presence here is a clear indication of the EU’s commitment to enlargement including the Western Balkans and to Kosovo’s future within it. And let me also make this clear right at the start – this commitment is as strong as ever despite statements you may have heard in recent months about the challenges the EU may face on issues such as the entry into force of the Lisbon treaty or the global financial crises.

EU member states have stressed on several occasions that the remaining potential candidates in the Western Balkans should achieve candidate status, according to their

own merits, with European Union membership as the ultimate goal. A clear signal of this was the recent visit of PM Thaci to meet High Representative Solana when Solana emphasized the firm commitment of the EU to Kosovo's European integration prospect. However, he also stressed that a lot of challenges remain and that Kosovo has to redouble its efforts. We are here to provide support to Kosovo in facing these remaining challenges.

EU partnership with Kosovo

Let me say something about the partnership in which EU presences cooperate with the Kosovo authorities. As in any close partnership, we have had and will most certainly continue to have our challenges. These, in my view, need to be addressed robustly and in a timely manner to demonstrate Kosovo's seriousness in preparing itself for an eventual European future. I will return to these challenges later in my presentation.

Since February last year, Kosovo has taken some early steps to address essential European priorities as well in its own quest of institution-building. It adopted a Constitution in line with European standards and also passed key legislation. Stability has been maintained and the leadership of the government continues to cooperate well with the EU presences.

The Kosovo government to its credit has taken steps to address European integration priorities into its work plan by adopting the Plan for European Integration and the European Partnership Action Plan. Furthermore, the Assembly approved legislation to strengthen the judiciary. Important steps have also been taken to incorporate human rights components in all areas of civil and political rights with an operational legal aid system and an improved prison system.

In the vital area of community rights as well as protection of religious and cultural heritage, we have also seen the Kosovo government take steps to reach out to non-majority communities. We will support further initiatives in this area. The leadership in Pristina has also demonstrated continued commitment in allocating resources for community development, education and housing for returning members of displaced and minority communities.

Protection has also been extended by the Kosovo Police to 17 Serbian religious and cultural sites which have been deemed vulnerable and in need of enhanced security. Progress also continues on decentralization efforts and here again we welcome the Kosovo leadership's establishment of this high priority in its European integration aspirations.

In terms of aligning internal legislation with European standards, Kosovo can claim some progress, although challenges remain in terms of the implementation of the legislation. The areas where legislation that harmonizes with EU standards already exists include agriculture, customs, industry, free movement of goods and SME's. Other areas where limited progress has been made and great potential exists for making greater strides include the environment, energy information technology and media as well as transport. Ladies and gentlemen, as the facts above indicate, it is indeed encouraging to witness this growth in Kosovo since February 2008. Since the deployment of EULEX in December last year, we have seen the EU assume the lead among the international presences on the ground. A close and trusting relationship has been successfully

developed between the EU presences and the Government of Kosovo. If you reflect upon the daunting task Kosovo had on its hand, you will appreciate that its leadership has not been found wanting in adjusting itself quite quickly to the new domestic, regional and international dynamics surrounding itself and in committing itself to taking steps that ensure a more secure foundation for Kosovo's European aspirations.

Challenges for the EU/Kosovo Government Partnership

I now wish to draw your attention toward the challenges that still confront us in our partnership for a strong and secure Kosovo. Here, I will not hesitate to add that they are numerous and can generate long-term stagnation if not addressed in a timely manner. Together we have to ensure that Kosovo's civic and political life adheres to European standards in all respects.

Some challenges that face all of us today are strengthening the rule of law, implementing effective anti-corruption policies, combating organized crime and promoting dialogue and reconciliation between majority and minority communities. Addressing all of these is essential to creating stability and promoting democratic aspirations and values. As I have indicated earlier, it does not suffice to have legislation in place which reflects European standards if implementation is non-existent. It is for the leadership in Pristina to capitalize on the EU's goodwill, support and resources. As I recently stated in the European Parliament, the Kosovo parliament needs to enhance its function of providing democratic oversight as well as creating a fertile environment for vibrant political debate.

The question of how best to address the North so that the Kosovo government is able to exercise its competencies in customs and judiciary related areas also remains a challenge for us. The EU stands for good neighborly relations, and here, as with many other issues, a dialogue between Belgrade and Pristina on practical issues could be useful.

Another critical area that urgently needs reform and commitment of the Kosovo government and its EU partners is in the economic and fiscal realm—the development of a healthy private sector. There cannot be a more opportune and more urgent time than now to undertake steps to promote fiscal accountability and transparency given the global financial climate. As you may well know, the effect that the current global financial crisis may have on the Western Balkans was highlighted at the recent meeting of Ministers at Gymnich. This, in my view, is an urgent call for the Kosovo government to ensure economic and fiscal reforms that will help sustain it during a period of downturn. The Kosovo economic structure is plagued by a volatile budget, increasing inflation, highest levels of unemployment and external imbalances. This constitutes a serious threat to the economic system and must be addressed urgently.

But a private sector cannot be built in a vacuum. Public sector enterprises present an even greater challenge for us. For example, employment and social sectors are severely impeded in their functions by inadequate legislative frameworks, administrative capacity and infrastructure. Sound corporate governance will have to be the constant rule, particularly in view of the critical need to privatize key sectors of the economy. Education and health sectors also face legislative and capacity gaps. In all of these the EU/Kosovo partnership needs to work hard to ensure that tangible progress is reported at a steady pace.

Preparing for an EU Future

The lead role that has been assumed by the EU in Kosovo is indicative of the continued commitment of its time and resources to ensure that the criteria required for EU membership continue to be met. Kosovo's leaders have assumed the responsibility to make decisions for the future course of the state, all the while keeping in mind the end state of European integration. The EU presences are a guarantee of many things for all citizens of Kosovo—ensuring progress in rule of law, minority rights, protection of religious and cultural heritage to name a few. But ultimately the EU-Kosovo partnership is meant to strengthen local ownership and ensure that the government continues to lead effectively towards Kosovo's European future.

As partners of the Kosovo government we deemed last year to be one when several foundations stones were laid for progress. This year we must surge forward to ensure that momentum generated over these past few months is not only sustained but multiplied on several fronts. Last week's visit by a European Parliament delegation has been one of many recent visits that indicate the high level of interest in Kosovo's continued progress and also the urgency of ensuring that areas of concern are resolved as expeditiously as possible.

The European Commission is due to conduct a study in the autumn of this year to evaluate Kosovo's preparedness for EU integration in accordance with the Stabilization and Association process. It is therefore of utmost importance that vigorous actions are taken by the Kosovo leadership to instill trust in its institutions and make a strong case for serious consideration as a viable candidate for integration.

It is my strong belief that the EU-Kosovo partnership will grow from strength to strength and that this new beginning is an auspicious one for both sides. The EU presences have deployed at full capability throughout Kosovo with discipline and meticulousness despite many daunting challenges. The Kosovo government has extended a hand of friendship and cooperation that will ensure that we will work even harder together to achieve our common goals for Kosovo's future. This is a unique moment in history. The strides Kosovo has made in the past year could not have been contemplated a few years ago. The European Union stands ready to provide full backing for Kosovo's ultimate dream to be realized. It is my hope that future generations will appreciate Kosovo's journey and admire that it reached its desired destination through an exemplary and inspiring route.

Thank you very much. I am now ready for your questions.