



## Chair's Conclusions on the Business Conference held together with the countries of the Western Balkans

Germany will host the Western Balkans Summit on 5 July 2021 as part of the 'Berlin Process'.

In the lead up to the Summit, a virtual business conference took place on 30 June. At the invitation of Federal Minister for Economic Affairs and Energy Peter Altmaier, the conference was attended by the Economic Affairs Ministers of the Western Balkans 6 (WB6): Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia. Also attending, as is tradition, were the partner countries of the Berlin Process - Austria, Bulgaria, Croatia, France, Greece, Italy, Poland, Slovenia, the United Kingdom, and representatives of the European Commission, the Regional Cooperation Council (RCC), the Central European Free Trade Agreement (CEFTA), the Chamber Investment Framework, and the OECD. Representatives of business associations also participated and reported back to the conference on the Western Balkans Business Forum, which took place earlier in the day on 30 June.

The Civil Society Forum had convened in the run-up to the Business Conference. The Forum focused on encouraging governments to work closely with civil society stakeholders on the complex challenges resulting from the need to develop climate-neutral and digitised economies, so as to make the necessary progress on economic reform, whilst at the same time avoiding social imbalances and ensuring equality of opportunity.

In the aftermath of the COVID-19 pandemic, careful, evidence-based policy design has become more important than ever. The WB6 economies are encouraged to make the best use of the upcoming OECD report, '*Competitiveness in South East Europe: A Policy Outlook (SEE Competitiveness Outlook 2021)*', which provides in-depth analysis of the economic policies in the Western Balkans as well as tailor-made recommendations based on OECD and EU good practices. The recommendations support the existing reform agenda as well as a sustainable post-COVID recovery.

The results noted after an intensive and constructive discussion are the following:

(1) Germany and the partner countries of the Berlin Process will continue to be reliable partners for the WB6 in achieving the common goal of realising the EU perspective of the region. The participants welcome the significant support of the European Commission in this respect.

(2) The successful core elements of cooperation are to be continued and further developed. These elements notably include the Connectivity Agenda, the Western Balkans Investment Framework, the activities for the creation of a Common Regional Market, the Green Agenda for the Western Balkans, the Purchasing Initiative, the Digital Summit for the Western Balkans and the activities conducted in the field of dual vocational training.

(3) The Common Regional Market (CRM) is a paramount project as it will bring the four EU freedoms to the WB6 and facilitate the region's convergence to EU economic standards and procedures. Participants also underscored the importance of the CRM for the efforts to overcome the negative consequences of the COVID-19 pandemic. The participants welcome the efforts by the WB6 to turn the CRM into reality. The participants acknowledge the role played in this respect by the RCC and the CEFTA Secretariat and call on the WB6 to step up efforts to conclude ongoing negotiations. They reaffirmed their commitment to swiftly and fully implement the Action Plan for the Common Regional Market.

(4) As an integral part of the CRM operationalisation, the participants reiterated their commitment to finalising key regional agreements under negotiation, especially on free movement with ID cards and the agreement on third party citizens. Special attention was also devoted to the agreements on the mutual recognition of academic and professional qualifications, which will allow the flow of skills and abilities throughout the Western Balkans, and to the adoption of CEFTA decisions in relation to trade in goods and trade in services (including inter alia e-commerce, removal of work permits, Authorised Economic Operators, trade dispute settlement).

(5) The Western Balkans Chamber Investment Forum (WB6CIF), representing the business community of the WB6, plays an important role in the implementation of the Common Regional Market and is instrumental in developing European value chains that include the Western Balkans.

(6) Participants welcomed the full implementation of the Regional Roaming Agreement and the start of the free roaming regime in the Western Balkans as of 1 July and expressed their willingness to continue the work on a Roadmap to ensure reductions in roaming costs between the EU and the Western Balkans.

(7) The German Federal Government will continue to take specific action to support the integration of the Western Balkan countries into the EU. In addition to existing activities, the German Federal Government will:

- appoint a Special Commissioner from the Federal Ministry for Economic Affairs and Energy to oversee the implementation of the green agenda in the industrial and energy sectors of the Western Balkans;
- implement institutional partnerships on the digitisation of training with a special focus on procurement, state-aid and competition law. Under this proposal the 6 academies will offer professional education and training for public service employees in the Western Balkans, continue bilateral institutional partnerships with countries including Serbia, Montenegro, and North Macedonia, and offer high-level consultancy to Kosovo on how to improve its investment and competition framework.

The participants of the Berlin Process agree that overcoming the repercussions of the COVID-19 pandemic is a major challenge, but also an opportunity for closer regional cooperation and a further deepening of economic cooperation with the EU. The Economic and Investment Plan presented by the European Commission in October 2020 is a crucial contribution to this. The participants of the process confirm their full commitment to its implementation. The participants recommend that financing provided by the EU should be targeted on measures strengthening the competitiveness of SMEs, on regional cooperation projects, such as infrastructure development, and on building cooperation with the EU in strategic fields of development, such as the use of hydrogen or battery development. Proposals made by business associations and regional initiatives in these fields will be carefully assessed and taken on board where possible.