

Professor Danuta Hübner, EU Commissioner for Regional Policy

"Serbia's contribution to a prosperous Europe"

University of Kragujevac, 23 April 2008

Dear Colleagues, dear Friends,

Thank you for this warm welcome - I am happy to be with all of you students of Serbia who came here today to discuss Europe with me. When we look at the world map, we see how small Europe actually is in a global context, both in territorial and in population terms. And let me say that even if smallness has not already done so, then globalisation should have convinced even the euro-sceptics that Europe needs more and deeper integration. Let me say that enlargement has been the most successful and powerful policy of the Union. European States need to stand by each other. We need Europe-wide approaches to economic strategies and policies. And the European Union is the perfect platform to do so. But integration as a defensive strategy is doomed to fail. That is why we all need an inspiring strategy for Europe, to let us live in a Europe that matters globally and benefits from globalisation.

Globalisation is not a zero sum game but rather a win-win situation; and our gains can be really huge if we develop appropriate responses. The sets of

policy recommendations across the world have become today increasingly similar, no matter where you are or who you are. And that is why in a global world of today and tomorrow competitiveness and co-operation are not foes any more but friends.

The European Union, now with 27 Member States, comprises most of western, southern, northern and central Europe. The Member States are all very different; they have different histories, different traditions and cultures, they speak different languages and today they all have substantial minority groups, most of them relatively recent migrants. However these 27 Member States all share basic common values and common objectives to shape the future of the European continent.

Our common values are set out clearly in the new Lisbon treaty which will be ratified by the end of this year. It is worth quoting article 2 of the new treaty;

‘ The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.’

Now of course you can say that we can find this sort of expression of values in any constitution in any country in this world - it doesn't mean much and some of the most brutal regimes have claimed to respect these values.

But the European Union is different. Here we have 27 sovereign states which together are expressing these values and which together are ensuring that they are respected by each and every Member state. The Lisbon treaty includes a mechanism contained in its article 7 which empowers the European Council to sanction a Member state which does not uphold these basic values.

But the Union not only declares its values but also promotes them. Its overall aim is to promote peace and the well-being of its peoples. In order to achieve this it has developed an area of freedom, security and justice without internal frontiers, so that its citizens can travel unhindered from one end of the Union to the other.

With the aim of promoting the well-being of its citizens, the European Union must clearly focus on developing a modern and competitive economy. One of its greatest achievements is the construction of the internal market which has been a potent factor in developing the productivity of its enterprises.

The Monetary Union has given the EU a powerful currency, a stable monetary framework for growth and an important voice in world economic and monetary affairs. The Member States have engaged in a major economic and social reform programme, often referred to as the Lisbon Agenda, to modernise their economies.

But the European Union is also one in which solidarity amongst the Member States and its citizens plays an important role. This is expressed politically, but also in considerable public investment in weaker regions in the Union. As the European Commissioner responsible for regional policy, I can testify to the value and significance of concrete expressions of solidarity in the Union.

The aim of the European Union is not however to create an undifferentiated single European state. In fact we are very proud of the cultural and linguistic differences which exist in the European Union and we consider that they are a factor which strengthens the Union rather than weakens it. One does not have to worry about the development of a culturally homogeneous Europe, when you have Member States as proud and as independent as the French, the British or the Poles!! And hopefully, one day, the Serbs!

On the world stage the EU has taken the lead in pushing for measures to combat climate change, it is the leading development assistance provider, engaged in all Continents and it has provided resources, both human and material, to maintain peace in troubled regions.

In integrating with the EU, Serbia is signing up to all of these basic elements which bind the Member States of the EU together. In doing so, Serbia will be able to progressively influence the decisions taken by the European Union and as a full member of the Union will have an equal voice in deciding on future policies.

How will progressive integration with the EU impact on Serbia? Firstly it will guarantee all citizens of Serbia the same rights that citizens in the Member States of the Union have – basic human rights, freedoms and access to justice. Serbian citizens can expect over time greater freedom of movement in the European Union and of course, with full accession, free movement of persons and workers. The ratification of the Stabilisation and Association Agreement will also mean the granting of ‘national status’ to Serbian citizens residing and working legally in the European Union.

Integration with the European Union offers the prospect of a complete modernisation of the Serbian economy, promising greater future prosperity to its citizens. The development of the new Member States, before and

even more so since their accession to the European Union in 2004 or 2007, shows the power of all forces for economic development which are released by growing integration with the European Union. The regulatory foundation for the economy provided by the laws and regulations of the European Union is not the only valid regulatory framework in this world. It does however provide the legal basis for a modern diversified economy. And with its neighbours, which are either members of the European Union or are countries integrating with the European Union, all adopting the EU regulatory framework, there will be clear advantages for Serbia's enterprises to be able to work on the same platform of regulation. This will accelerate the modernisation of Serbia's economy, which is badly needed. Again we know from the experience of the new Member States, that the gradual adoption of the EU's regulatory framework is a powerful incentive to foreign investors to invest in the country. Although foreign investment is sometimes a contested element in economic development, FDI has been crucial to economic growth in most of the new Member States of the Union. It will bring to Serbia not only capital but also new management skills and new technologies which will help to make the economy more efficient and therefore will raise the standard of living of all Serbia's citizens.

We know that with political will, Serbia is capable of achieving accession to the European Union. You only have to read the report which the European Commission wrote on Serbia at the end of 2007, to see that it underlines the confidence which the European Union has in the quality of the administration in Serbia and of the Serbian workforce. It is all a question of whether you can muster the political will to take this step now, or whether it will wait for some unspecified time in the future. Being myself an impatient person, you can figure out the answer I would hope for.

Dear Friends,

The European Commission is fully committed to the European perspective of the Republic of Serbia.

The Stabilisation and Association Agreement between Serbia and the EU that was initialled some months ago and the so-called European Partnership are at present the main framework for Serbia's relationship with the European Union. I am grateful that Serbia is already very active in European Cohesion Policy programmes, in particular in the brand new "South-East Europe" Co-operation Programme. This programme involves 16 countries across the region: 8 Member States, 2 Candidate countries, 4 potential candidate countries and 2 neighbouring countries all working

together on issues of common interest. Serbia is at the heart of this programme – quite literally, if you look at a map of the programme – and organisations in Serbia will have the possibility of working with partners from all the other countries on topics such as transport, environmental protection and innovation. I must stress that Serbia has been actively involved in the programme preparation and will co-chair the programme's main committee this year. Indeed, the Committee's next meeting will be in Belgrade in July, which is another signal of Serbia's importance to the co-operation programme.

I hope that further progress on the International Criminal Tribunal for the former Yugoslavia will make it possible for the Council of the EU to sign the Stabilisation and Association Agreement with Serbia very soon. For my part as Regional Policy Commissioner, I am keen to launch cross-boarder pre-accession instruments. The Instrument for Pre-accession, generally referred to as IPA, makes an additional 11 billion euros available until 2013 in order to help candidate countries and potential candidate countries to prepare for EU Membership. For Serbia this means currently 1 billion over five years. As soon as the candidate status has been granted to Serbia this will also include important activities in the field of regional development.

Ladies and Gentlemen,

I am of course totally aware that these are critical times for Serbia. And I am conscious of the challenges ahead for pro-European forces in Serbia. But in spite of all this I am convinced that Serbia's future lies in Europe.

The European Union will not go away and will not close its doors, but it would be a shame if Serbia was to lose several more years and it would also be a loss for the European Union. Serbia is crucial for the establishment of peace and prosperity in this part of the continent. It has always played a crucial role in the region and the final establishment of peace and greater prosperity requires a constructive and progressive Serbian engagement.

All EU Member States have enriched the Union with their various histories, cultures, traditions and languages. Serbia, as a European country with a long and distinguished history, a precious religious and cultural life with a great richness in architectural and artistic heritage will make a very distinct and positive contribution to the life of the Union.