

Integrating Western Balkans into EU

Although Bulgaria's Presidency of the Council of the EU will soon come to an end (June 2018), one of the country's priorities is connectivity for which it will continue to implement projects and measures. The consolidation of cooperation processes in Western Balkans is part of Bulgaria's policies on connectivity aimed to develop and connect the transport infrastructure.

by Pamela Luica

In the transport sector, Bulgaria worked on the legislative proposals of the Mobility Package by setting a balance between Member States to identify compromise solutions that consider the characteristics in each Member State from economic and social impact point of view.

During the TEN-T Days (April 2018), Bulgaria's Minister of Transport, Ivaylo Moskovski, declared that the transport infrastructure connection with the Western Balkans, Eastern Partnership and Southern Mediterranean states is important for the European Union and the countries should take advantage of the developing concept of global markets to maintain the competitiveness of the European economy which translates into a better integration with neighbouring regions.

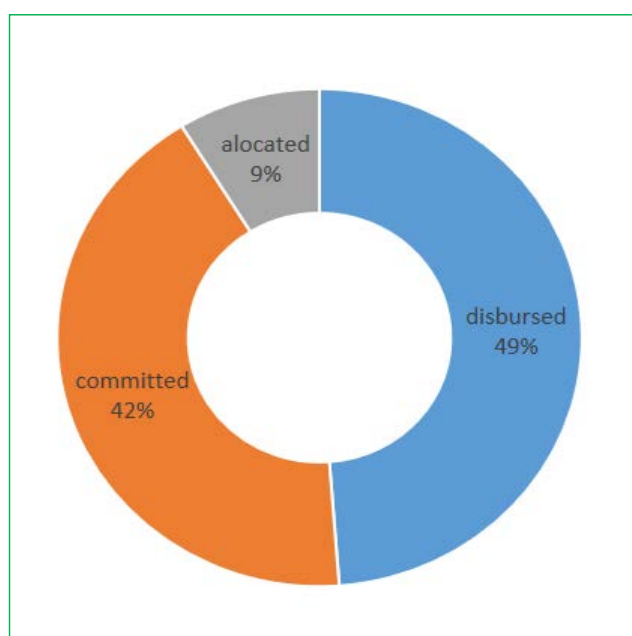
While holding the Council's Presidency, in the transport sector, Bulgaria focuses on the development of sustainable transport, especially railway, and the future European financing is crucial for creating interoperable networks that meet a high standard of quality of services and infrastructure. "In Europe, future railway investments have to remain a priority for all Member States. These investments are financed through the two big instruments and resources, the Cohesion Fund and the Connecting Europe Facility. Bulgaria relies on this financial support

to complete railway infrastructure projects where the main challenges concern cross-border connections. These connections are essential for the implementation of TEN-T projects and the development of the network to the east to ensure connections to the Western Balkans", said Velik Zanchev, Deputy Minister of Transport, during a seminar organized by the Bulgarian Presidency of the Council of the EU with the support of UNIFE.

EU's regional strategy, adopted at the beginning of the year, is vital for the connection of the EU and of Western Balkans. This strategy includes six initiatives among which socio-economic development, digital agenda and transport and energy connectivity for which concrete steps will be taken in 2018-2020. As a result, EC proposed a gradual increase of financing within the Instrument for Pre-accession Assistance by 2020. Over EUR 1 billion will be granted to Western Balkans this year. "With strong political will, real and sustained reforms, and definitive solutions to disputes with neighbours, the Western Balkans can move forward on their respective European paths. Whether this is achieved will depend on their objective merits," the President of the EC, Jean-Claude Juncker said.

Geographically, the Western Balkans region is >

Total amount invested in the indicative extension to the TEN-T Comprehensive and Core Network in the Western Balkans from 2004



- disbursed (€6,1 billion)
- committed (€5,3 billion)
- secured (€1,1 billion)

together amounted to **€12,5 billion**.

90% (EUR 11.2 billion) of total amount invested in Indicative extension of the TEN-T Comprehensive Network to the Western Balkans from 2004 was invested in **Core Network**.

> surrounded by EU member states and the countries' accession to the EU is a priority. Montenegro and Serbia are already negotiating their accession. Also, Albania and FYR Macedonia have progressed in the process and the Commission is ready to elaborate recommendations to open accession negotiations based on the conditions fulfilled. In the case of Bosnia and Herzegovina, the Commission will elaborate an Opinion on its application for membership after receiving complete answers of the Questionnaire and, with sustained effort, the country could become a candidate country.

By meeting the conditions, the countries could become member states as of 2025, a very ambitious objective for each country.

For a successful integration between the EU and the region, improved connectivity is vital although many obligations of regional agreements have not been met yet. Countries have to fully observe the Energy Treaty, the Transport Treaty and EU relevant regulations concerning the European Common Aviation Area to which the countries committed to adopt the energy and transport acquis, as well as auxiliary standards of environment, competitiveness and more.

Transport connections need investments

Improving connectivity in Western Balkans is a strategic interest for both parties and will enable the boost of competitiveness, economy and security. Investments in the energy and transport networks bring real benefits and develop the business sector. Also, to increase the investment level and create a new scheme for private investments, the Commission will work to ensure an efficient use of existing funds of the Connecting Europe Facility for countries in the Western Balkans. Thus, the Commission will analyse conditions for their participation in the next Multiannual Financial Framework, shows the strategy adopted at the beginning of the year. During the event organised by the Bulgarian Presidency of the Council and UNIFE (in April, in Sofia), Ognian Zlatev, Head of the Representation of the European Commission in Bulgaria, declared that the increasing connectivity with the EU (for transport and energy) is a crucial part of the strategy for Western Balkans and represents the integration of the region. "It is



important to accelerate investments in the infrastructure network which will help develop the business sector and the level of access for citizens to transport services. EC will explore the infrastructure financing methods in Western Balkans and will commit to support regional connectivity. A study elaborated by Bulgaria's Ministry of Transport, concerning the TEN-T connection and the transport network in Western Balkans says that EUR 43 billion are necessary to build the TEN-T core corridors of which the investment level delivered by the countries amounts to EUR 8 billion. Therefore, "Bulgaria will negotiate on the MFF post-2020, while for the Western Balkans, it will support access to financing through pre-accession funds. The Structural Funds, the Cohesion Fund and the Connecting Europe Facility are major sources of infrastructure financing in the lagging regions of the European Union, and Bulgaria is very reliant on this support to continue building the basic railway infrastructure," Deputy Minister of Transport Velik Zanchev said. >

Indicative extension of TEN-T to Western Balkans Core Network Definition Railways

Corridor Vc	Bosanski Samac (Bosnia and Herzegovina) – Sarajevo – Mostar – Capljina (Bosnia and Herzegovina)
Corridor VIII	Skopje (The former Yugoslav Republic of Macedonia) – Deva Bair (Border with Bulgaria)
Corridor X	Sid (Serbia) – Belgrade – Nis – Skopje (The former Yugoslav Republic of Macedonia) – Gevgelija (Greek border)
Corridor Xb	Kelebjija (Hungarian border) – Novi Sad (Serbia) – Stara Pazova/Belgrade (Serbia)
Corridor Xc	Nis (Serbia) – Dimitrovgrad (Bulgarian border)
Route 2	Podgorica (Montenegro) – Durres/Tirana (Albania)
Route 4	Vrsac (Romanian border) – Belgrade (Serbia) – Podgorica (Montenegro) – Bar (Montenegro)
Route 10	Krusevac (Serbia) – Kraljevo (Serbia) – Pristina (Kosovo) – Skopje (The former Yugoslav Republic of Macedonia)

> In April 2015, the prime ministers of the Western Balkans countries, next to Johannes Hahn, Commissioner for European Neighbourhood Policy & Enlargement Negotiations, and Violeta Bulc, European Commissioner for Transport, signed a common agreement for the core transport network and Western Balkans. In the context of WB6, the TEN-T indicative extension was identified including the core network and core corridors, while priority infrastructure investment projects were pre-identified. The multimodal networks include 11 road links, 8 railway links and 3 inland waterways, as well as 6 airports, 2 sea ports and 4 river ports.

In the period 2014-2017, the EU's financial support for transport projects in Western Balkans included 28 projects, the grants allocated by the EU amounting to a total cost of EUR 156 million, while total investments amount to EUR 475 million. The railway infrastructure projects which received European financing are on the Orient/East-Med Corridor, in Serbia and Macedonia. Serbia received a EUR 28.4 million financing, with the investment in projects amounting to EUR 56.4 million, while FYR Macedonia received EUR 70 million, with investment amounting to EUR 152.3 million.

"Railways have special connectivity, not just for transport links, but also for the business environment and its development and are one of the political objectives on the EU agenda. Although financing is not enough, projects could be implemented through operational programmes and we want to contribute to infrastructure development. We have to invest in the development of capacity and it is necessary to have a system of consolidated public procurement. If we don't have a healthy public procurement system, we cannot have efficient projects.



Regarding the cohesion policy, infrastructure financing will be substantial for the Western Balkans, but also for Romania, Bulgaria and Croatia", explained Vittoria Alliata-Di Villafranca, Director for Administrative Capacity Building and Programme Implementation II, DG REGIO, European Commission, during the event in Sofia.

Share of total investments per mode of transport (M€)

