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Introductory remarks on Western Balkans



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Kosovo:

Allow me to turn next to Kosovo, an important litmus test for the EU, and the last unresolved status question in the Western Balkans.

Martti Ahtisaari ended nearly 14 months of intensive negotiations on Kosovo's status in a final round of talks on 10 March. The result was as expected: the parties exchanged views but were not able to agree.

I believe we can all agree that in ideal world the two parties would have found an acceptable compromise between themselves. Unfortunately, over the 14 months of negotiations, little common ground emerged.

The International Community must therefore to prepare itself for another solution at the UN Security Council. There is no gain in delaying, only prolonged agony from dragging out the process. The UN has already been running Kosovo for eight years. The status quo is not sustainable.

President Ahtisaari submitted his final proposal to the UN Secretary General last Friday. It is expected to pass to the UN Security Council next week, and be sent for initial discussion in early April.

The essence of decision on Kosovo is European unity. We must continue to support President Ahtisaari and his proposal with consistent determination in the UN Security Council. President Ahtisaari's settlement proposal is a realistic compromise. It provides a framework for a future stable, democratic and multi-ethnic Kosovo, with great importance attached to the protection of rights of communities, to the protection of cultural and religious sites, and to decentralisation.

Let me be clear: Kosovo does not set a precedent for frozen conflicts elsewhere; it is *sui generis*. The origins of the conflict are in the unconstitutional abolition of Kosovo's autonomy in the 1980s. A return to the pre-1999 situation has been ruled out by the UN.

If the UN Security Council fails to agree on a resolution, we risk chaos and instability in the Balkans. As in the early 1990s, it would be Europe that would have to pay the price. Not Russia, not the US. Kosovo will be a litmus test for responsible multilateralism in the UN.

Consequently, as we discuss Europe's future in Berlin, Brussels, and other European capitals, we must not take our eyes off the Balkans. Conflict could still break out in Kosovo. We Europeans should not lull ourselves into thinking that we could just somehow muddle through this. Such miracles don't happen.

Instead, EU unity and leadership is needed to achieve a sustainable settlement that produces a democratic, multi-ethnic Kosovo and ensures continued regional stability. At the same time, we are providing Serbia a concrete, tangible EU perspective, which should help it leave the nationalist past behind and turn towards a European future.

Financial Needs for Kosovo

A final word on Kosovo's financial needs – before I turn to Serbia. The overall poststatus needs are not yet fully known. However, the EU will play a leading role in Kosovo after status, both in the form of international civilian missions and in support of Kosovo's European perspective. We have no exit strategy, only an entry strategy. The Union must therefore ensure sufficient resources to succeed. The Commission will put together a package using a variety of instruments and budget lines that reflects the scale of our responsibility; I hope we can count on your support.

At the FMs' Gymnich next week, I will insist that resources cannot come from the EU budget alone, however. Our Member States and International Community partners must step up to the plate as well.

In conclusion: this is a crucial opportunity to show that the EU is committed and can make a difference ensuring sustainable solution for Kosovo status. I appreciate the support provided to that end by the European Parliament and its rapporteur on Kosovo, Mr Lagendijk.

Serbia:

Serbia is facing a very sensitive and challenging moment in its history. The Kosovo status process and its coincidence with the recent ICJ ruling have forced a painful reckoning with the past, and all this in a complex post-election environment.

Serbia's European perspective can help raise its sights and give impetus to the new government's efforts – and help it look to the future, not just the past.

The Council in February welcomed the Commission's readiness to resume SAA negotiations with a new government in Serbia provided it shows clear commitment and takes concrete and effective action for full co-operation with the ICTY.

The EU remains fully committed to Serbia's EU perspective and is ready to work with such a new government towards this goal.

We expect that Serbian democratic leaders will work together to seize this opportunity. The recent EU troika meeting with President Tadić was encouraging. Government formation is entering its final phase soon.

The new government programme to confirm that full co-operation with the ICTY, including the arrest of indictees, is a key priority.

We also consider that the government structure should establish a clear chain of command allowing for the effective co-ordination of the activities related to co-operation with the ICTY, notably with regard to searching and arresting the fugitives. The choice of the key personnel in charge of these activities will be an important element.

The recent judgment of the International Court of Justice underscores the obligation to co-operate fully with the ICTY, notably by bringing to justice those are indicted for genocide or other crimes covered by the ICTY.

The EU will continue to monitor Serbia's ICTY co-operation closely. Conclusion of the SAA depends on full co-operation with the ICTY.

Thanks to its institutional capacity, once concluded, Serbia should be able to implement the SAA quickly and effectively, and then take the next steps on its European journey.

Meanwhile, we are also working on making the European journeys of ordinary citizens easier and cheaper. We hope to conclude negotiations on visa facilitation and readmission agreements in the coming weeks, so that they may enter into effect at the end of this year.

I trust that Serbia will be able to make rapid progress towards the EU. Serbia has tremendous economic and intellectual potential that is just waiting to be released in pursuit of the country's European future.