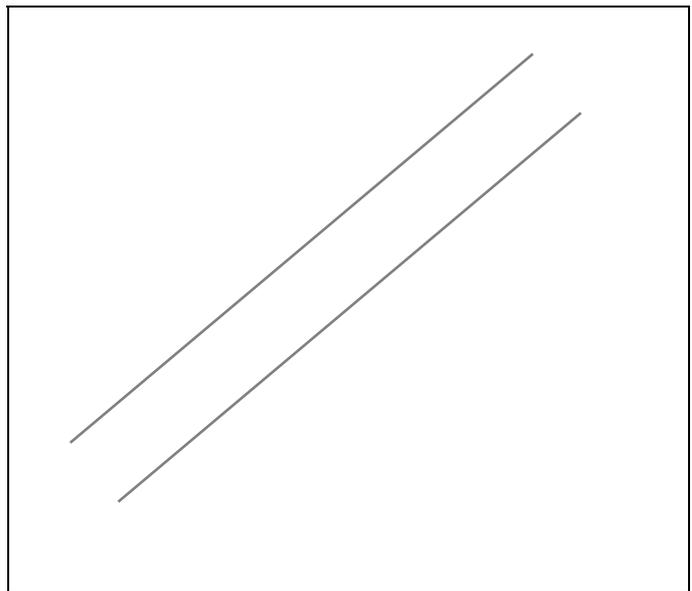


Speech by Mr Olli Rehn

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Enlargement

"The next steps towards Europe"



Lecture at Belgrade University

Belgrade, 18th April 2005

Rector, Professors, students and distinguished guests,

I am delighted to be here in Belgrade just a few days after the Commission recommended that the EU should start negotiating a new relationship between the European Union and your country. This is the start of the European road for Serbia and Montenegro.

The positive result of the Commission's Feasibility Study is the result of reforms that are now beginning to show results, and especially of the determined efforts to improve Serbia and Montenegro's compliance with its international obligations.

I congratulate the political leaders who have long advocated more cooperation with the International Criminal Tribunal, and those who have had the courage to ensure that persons indicted for war crimes are now regularly boarding the plane for The Hague.

I also welcome the agreement on the Constitutional Charter that has ensured the legitimacy of the State Union Parliament.

These recent events are signs of improvement in the rule of law in Serbia and Montenegro. This positive momentum must be maintained. It is not time to sit back and relax. Quite the opposite: the momentum must be maintained until every one of the persons indicted for war crimes has been brought to justice. The tenth memorial of Srebrenica is approaching in a few months. The attention of the world's press will be on this region, and especially on the tragic events of the 1990s. But that interest and attention could be used positively, to show the world how far Serbia has moved on, if full cooperation with the War Crimes Tribunal is achieved before then. It is now time to clear away the legacies of the past, and to move on to realise your future in Europe.

Let me explain the process that will now follow the Feasibility Study result last week. The Commission's positive recommendation will now go to the EU's member-states. If they accept it later this month, they will ask the Commission to start preparing a mandate for the negotiations for a Stabilisation and Association Agreement. This Agreement is known by an unattractive acronym - 'SAA' - but it will bring benefits. It will be the first contractual relationship between the EU and your country.

This year will see another anniversary as well: this Autumn will be the fifth anniversary of the democratic elections of 2000. I would like to see Serbia and Montenegro move towards SAA negotiations around that time. To make sure this can happen, there is a lot of work to be done over the next few months.

The Feasibility Study is a long, technical document, and it does not make for exciting bed-time reading. But it is the all-important guidebook for the road towards EU membership. The Study assesses the progress of Serbia and Montenegro in moving towards the EU's political and economic conditions. It covers a vast range of areas related to the contents of the future Agreement, including political dialogue; regional cooperation; the creation of a free trade area; and preparations for taking on the EU's rules in the fields of competition, intellectual property rights and public procurement. The Agreement will also start wide-ranging cooperation in all of the EU's policies, including justice, freedom and security.

The SAA negotiations will prepare the ground for Serbia and Montenegro to move towards European norms and standards. They will help your country to develop the administrative capacity to apply EU rules properly. The trade provisions will start to open up markets, and ensure that Serbia develops a functioning market economy that has the capacity to cope with competitive pressures within the EU's internal market.

The SAA is the foundation on which the EU accession process will be built. For Serbia and Montenegro, EU membership is a realistic and valuable goal, certainly

worth the effort required. EU membership would mean better rights for citizens, better economic prospects and living standards, and better neighbourly relations.

Regional cooperation is an essential part of the Stabilisation and Association Process and is the vital ingredient for economic development. The economies of the Western Balkans are small, but if they are linked as an open, unified market, they will be much more attractive to foreign investors. This can be best achieved in the European framework. Moreover, the legal certainty provided by EU rules will itself help to attract foreign investment.

The creation of common energy networks, for example, would boost economic development. The European Union is financially assisting countries on their road to Europe. However, best use of this assistance depends on actors on the ground being ready to play their part, and take the initiative to start productive and useful projects. The creation of wealth and jobs depends ultimately on entrepreneurship and innovation, which can be facilitated but not dictated by the EU.

Regional integration is not something new – it is the founding principle of the EU. When Jean Monnet and other visionaries originally worked out the idea of European integration, they pursued to voluntarily integrate the economies of Europe so tightly that war between them became unthinkable.

The economies of Europe at that time were also rather small, like the economies of this region. Thus, Monnet and his fellow founders of the EU worked on linking energy markets and liberalising trade to foster regional integration and to build it in practical terms. That is the germ of the EU's success, that people work together on concrete projects in which they all have a clear interest, and then they find that they rely on each other and trust each other more.

Jean Monnet called it “la solidarité de faits” – the ‘solidarity of facts on the ground’. That kind of solidarity – which starts off as physical but becomes mental and intellectual – is what I want the EU to help you to build in this region, and in this country.

In my view, the universities are an essential part of the process of joining the EU. Politics and academia have always been linked. In the country where I was born, the leading politicians were all university professors one hundred years ago. It doesn't work that way anymore – unfortunately. But it is still the case that the universities have a vital role in educating not just the students of today, but society of tomorrow, to ensure that it becomes fully part of the European mainstream.

It is the universities that provide the knowledge of the past to the future generations, but academics and students are also a vital part of civil society today. I remember starting to participate in the debate about whether my own country, Finland, should join the EU when I was still at university. You have a big task ahead in explaining to your fellow-citizens what EU accession is really about. It is not just a matter of politicians signing a deal, or technocrats deciding on a few legal changes. No, joining the EU is about changing the whole political system and legal order, which affects the whole society. This process of transformation has to work from the bottom up as well as the top down. The Union is not a military alliance like NATO nor an international talking-shop. Instead, it is a community of law and a community of values.

Prospective members of the EU have to respect European values and, most importantly, to practise them. This concerns particularly the rule of law in all spheres of life. Key issues here are rooting out corruption and organised crime, as well as respecting and protecting minorities.

Accession is about taking European values into the fabric of daily life. ‘Values’ sound rather vague, but they are spelled out clearly in the EU's new Constitutional

Treaty. They include democracy, the rule of law, respect for human rights, and the protection of minorities – these are fundamental pre-conditions for closer relations with the EU. To implement them, candidate countries have to ensure these values are respected throughout society – so that police officers respect human rights at every arrest, for example, that judges are impartial, that teachers don't discriminate against children of different ethnic origin, and that soldiers obey the rule of law.

In Serbia and Montenegro, it is the academics, the intellectuals and civil society who need to lead the debate on European values, to ensure that the people in your country know what the EU is really about. You also have to keep your country's politicians up to the mark, so that everybody in Serbia and Montenegro knows what the politicians have to do in order to achieve EU membership.

I remember well my own first experience of elected office, as the Chairman of the Finnish Youth Council, when I was still at university, rather a long time ago during the Cold War in the mid-1980s. I had to lead our delegation to meet its then Soviet counterpart. I was in my early twenties, and the man facing me on the other side of the table was in his fifties, even though he was supposed to be leading a youth organisation. When we got to a particularly intense part of the negotiations on whether to endorse Finland's neutrality policy, he decided to test or slightly threaten us Finns. He asked me if I knew what was the international emergency code. I said no, I didn't. Then he answered "1956, 1968, 1979. What do you want to be the following number – 1985?" As we saw no tanks crossing the border, we kept our position, and our neutrality policy was jointly endorsed. But if I had been able to predict the future at that moment, I could have answered him "Yes, it goes on 1989, 1991 ...".

As a wise man once said "Prediction is always difficult, especially of the future". But I aim to ensure that by 2009, when my term as Commissioner is complete, your country will be well on its way towards integration into the European Union, through the rule of law in all walks of life, through an open, competitive economy, and through a capable and well-organised public administration. These are achievable goals. As the history of the EU's enlargements have shown, countries can really transform themselves over a short period of time when they are motivated by the prospect of joining the EU. Together, let's make that transformation happen for Serbia and Montenegro as well. I look very much forward to working with you.

Thank you.