

Excellencies, ladies and gentlemen, dear colleagues.

Croatia is a candidate country for the European Union membership, and our accession negotiations are well underway.

Once we manage to arrange and to agree with Slovenia, very high, this blockade of our accession negotiation and once we manage to agree how to proceed with solving the border issue with Slovenia by an international ..., we are now in a position to estimate that we could conclude our technical part of our accession negotiations somewhere by mid of the next year, and then to go into ratification process, which might bring Croatia to the full European Union membership by the very beginning of 2012.

This is good news for Croatia, of course, because it is a clear recognition of all successful reforms that we have done, and that those reforms, actually, irreversibly brought us to the European values.

But this is good news for European Union as well, because it is a clear proof that after, I would say, indecisive and vague policy, common foreign and security policy at the beginning of the crisis and war in former Yugoslavia that the Union now has definitely designed an efficient policy for the southeastern Europe that could stabilize the region and could generate new candidates and new members of the European Union from that region.

And it is also good news for other western Balkans, in the southeastern Europe, as Croatia becomes kind of a motivation, a model that proves that implementing very demanding and hash European Union reforms is a rewarding process.

20 years ago, at the time of the Fall of the Berlin Wall, the European Union was grated political, I would say a more promise and

commitment towards countries that were on the wrong side of the Berlin Wall, that they would become on day European Union members, that Europe would be united.

And nobody could deny that all countries of southeastern Europe were on the one side of the Berlin Wall.

So, 20 years ago the point of departure of the central European and eastern European countries and the southeastern European countries, this point of departure was the same, similar.

But where is the region of the southeastern Europe today?

Clearly ranking far behind central and eastern Europe. This is a potentially dangerous situation for us in the region. But this is also potentially dangerous for the stability and security of the Europe as a whole. And this is a burden for European Union, ambitious to be one of the few key players on the global world scene.

What went wrong in the region? Definitely I see at least three reasons or three causes of this situation.

First there were conflicts, there were wars in the last decade of the 20<sup>th</sup> century, in the southeastern Europe.

Then, I see also a fade of very modest national economic and other reforms that were pursued in the region.

And then there was also a lack of truly modern and democratic leadership in the '90s. Actually, kind of nationalistic instinct prevailed on democratic values and democratic principles in those newly established countries.

On the other part of the problem we have to admit also that an inadequate and a late response of the international community to the

conflicts of the wars in the region, also contributed to that unfortunate situation in the region.

The consequences of that, actually, were that the last decade of the last century was, in many aspects, a worse period for the southeastern Europe in terms of political, economic, democratic reforms.

In short, one could argue that there was a lack of will and capacity internally but also a lack of incentive and a push externally for the Europeanization of the Balkans.

But fortunately enough, I could say, that this region in this time if this was lost for the reforms, the region, the countries were not lost for Europe.

The situation changed in 2000, during the Zagreb Summit that established the stabilization association process, with new incentives for the accession perspective and in the conditionality for all the countries.

And then, finally, the most important point on the European road of those countries, was the Thessaloniki Summit in 2003 and its agenda for the western Balkans that opened a period of new optimism in the region, the period of enhanced reform processes and the growing region of cooperation.

At this point I would argue that readiness of the southeastern countries to reform is stronger when the European Union is fully present in the region and when written statements and written commitments of the European Union and its perspectives, and giving this perspective to the region, then those written statements are backed and supported by concrete efforts.

Actually, this must be a common endeavor, a common joint venture between European Union and the region.

European Union so far often acted in a way “we shall be waiting until the region and the countries of the region make a move, first move shall be done regionally and then we shall another move to support their European road”. But this could not be a productive policy. These efforts must go in parallel, European and regional efforts.

But in spite of all of these, I can foresee that during the term of the next European Commission, that is until 2014, all countries in the region would make a step or two steps forward into the European integration processes.

Croatia shall be a new European Union member most probably by 2012. FYROM would start accession negotiations. Thus joining Turkey in advance stage of negotiations. Albania, Montenegro and Serbia would become candidate countries with the negotiations to start. And Bosnia-Herzegovina and maybe Kosovo would also apply for the membership in that period.

But let us think in a more optimistic way. Maybe by the 2014, by the end of the new European Commission’s term, maybe all countries could make even more than this vision, maybe we can come closer to the whole region in the European Union membership.

I would like just briefly to tackle a state of affairs in the European Union when it comes to enlargement in general, but also an enlargement to the region. The state of affairs in the countries of southeaster Europe, and also a few words on our clause of accession experience that could be useful for other countries.

In the European Union there is still a very complex and inter – related mixture of financing crisis, as a new element, new difficult element in all problems that European Union has.

So, there is financial crisis, economic crisis, recession. There is institutional setup of the European Union, still underway, close to be resolved. And there is the enlargement process, and enlargement differences that exists among the countries, the member countries.

All these elements often seem to somehow stray away from each other. There were no conventions until Lisbon. Actually all those negative elements finally match together in Lisbon, where a new institutional treaty was accepted.

And after Lisbon, where could you make a next step? Stepping forward would actually mean you drop into the ocean. So, therefore, from Lisbon, beyond, the only logical solution would be the only term to Europe.

...the reinforce of institutional and political framework for further enlargement. It created a new and better atmosphere and prospects for southeaster Europe as well. But in real life, enlargement is still, I would say, an indecent way in some European Union member states.

Very often, during this period of uncertainty around the Lisbon Treaty you would hear in Europe a slogan “No Lisbon, no enlargement”. The Lisbon Treaty is almost ratified, now you can hear more often no recovery, no economic recovery, no enlargement.

But I think that for the southeaster Europe, the good times would come only once the slogan would become “no enlargement, no

Europe". And this is, I would say, quite important to think by all member states in that way.

European policy towards the region could be successful when only if it is consistent, if it is coherent, and if it is credible.

Consistent means keeping the same requirements for all governments, that are of course changing in the countries of the region, but also changing in the European Union member states. So the requirements should be the same in the Copenhagen criteria.

Coherent means ask for the same commitments that are exercised by the very new member states, not something else than that.

And credible means keep the enlargement and membership perspective high on the European agenda. No doubts of the European prospects of the countries.

Unfortunately, coherence is lower in times of crisis. Just a small example, should be the industry in Croatia negotiate this chapter, we are asked to privatise, to restructure and not to subsidise industry at the time of the crisis, when all European countries put a lot of money in their auto-motor industry, in the banking sector, leaving this competition policy aside.

Also, credibility is lower as the enlargement enthusiasm is fading out in some countries, and therefore question accession capacity and legibility of Turkey or the Balkan countries could not contribute to the successful reforms that had to be implemented in the region.

I can not agree with some ideas that there should be a cause for reflection, once Croatia joins the European Union, that enlargement

should be somehow put aside for certain period of time. This is not a good policy.

Each country should advance towards the European Union according to its own capacities, its own merits.

And whenever Europe speaks of a pause for reflection, it turns out, lately, that it was more a pause than a reflection. So, therefore it won't be a good policy at all.

Only when all these elements are met in the European Union, all these conditions, then the European policy could become a true catalyst of reforms in the southeaster Europe. Only then Europe could become a reliable partner in building internal policy, consensus in the region, and a real supporter in preventing political extremism in the southeaster Europe, which still could prevail.

On the other end, in the countries of southeaster Europe, all of us should and must actually show, at least, our capacity to introduce strong and stable state institutions.

We have to exercise and to show that we are able to forge a political consensus on the European Union accession among all political stake holders in the countries.

And we must be ready to show the capacity to attract foreign and direct investments even in the time of crisis. This would be our entry card, I would say, for the European Union.

But there are still some instabilities growing, in constitutional, new constitutional arrangements are there. There is instability concerning the Kosovo independence and Serbia free action to bet.

Fortunately enough, I would say, that Serbia's actions go not along the lines of making additional negative impact on region

stability by, let us say, jeopardising relation with those countries in the region that recognise Kosovo's independence, but Serbia opted for an international quote, and assessment whether the Kosovo's independence is based on the international law.

So, this could really help the stability in the region. Also Serbia's and Croatia's relations are key factor for the stability in the region. Our tragic relations were a problem, are actually triggered the unfortunate consequences in early '90s.

And now, both of us actually, we are responsible to find a way how good neighbouring relations between Serbia and Croatia could contribute to all in the region.

Enlargement fatigue, this is often heard in the European Union, the European Union member states. And the public often says: we are tired of enlargement.

But we from the region, we could tell them: if you are tired of enlargement, we are tired of transition. It is not an easy process, so let us all combine these two efforts and let us get rid of tiredness of any kind.

Political responsibility of the countries in the region is a high one. There must be commitment given by political leadership to bare electorate, to bare ...not to Brussels in the sense of implementing the very delicate and sometimes their political and dangerous reform processes.

And I would come also to just to two or three of our experiences, Croatia's experiences in the accession process.

Maybe the first lesson we have learnt in that process, is that the process of accession to the European Union is more important than the very accession.

During that process of accession everything has been reformed and transformed in the country: state of democracy, political values, economy, legislation, society, institutions. And people and their mind has also changed, which is the most difficult reform for sure.

Therefore we would like to speak of Europe on its way to Croatia, rather than of Croatia on its way to Europe. Because the distinction in that regard is important.

We have to let Europe to come to our man-set, to our people. And only when each and every citizen understands and recognises the European values, then the European Union membership will be closer.

Second lesson we have learnt is about communicating to the people. This process must not remain just political elite. Political elite must always turn their eyes behind their shoulders in order to see that somebody follows us on the road to Europe.

So, communication of Europe must not be one way street, it must be a dialogue. True dialogue between public and all those participating in the reform process.

And the third lesson is the importance of regional cooperation. We have learned, maybe in the hard way, from the very beginning, but now we are definitely sure that without stable European neighbourhood, Croatia could not be a European country.

Therefore introduction of some bilateral issues in the negotiation process, is ...to the process. And such a best presidency, like we had

one with Slovenia, actually should be avoid once we are member states.

Now, when we manage to separate bilateral issues with Slovenia from the accession talks, it is only up to us to do our job and finish our necessary reforms.

This could be a good example for all those countries that are just steps behind us in that process.

So, to conclude, I would like to say that our region needs more Europe. We need the European Union to be almost only present in the region. This is the last instable part of Europe, and without enlargement to the region there can be no sustainable stability and security for the Europe as a whole.

Then, regardless of the problems of the present concerns on the borders of enlargement, the end result, I am definitely convinced that the end result of the enlargement in Croatia is already known.

The southeast Europe shall be a part of the European Union, because I cannot imagine Europe without southeaster Europe. And I also cannot imagine southeaster Europe without Europe.

The Lisbon Treaty is now ratified. There are no longer the obstacles to the continuation of the enlargement policies. But this should be also a signal to lift all, political and mental reserves within the European Union that still exist, and therefore we need, once again, a renewed consensus on enlargement, and we need renewed reinforce commitment to the region.

We need to work together on a new approach. And we need actually a new Thessaloniki. That is something that the Presidency of the European Union and the new President of the European Council

should really think off, to have a renewed commitment, very clear commitment on the perspective of the southeaster countries on their European future.

We in Croatia have proven our own example that enlargement continues to work even under much stricter criteria. We are ready to share our experiences to help our neighbours in their integration efforts. And we are ready, even before the membership, to advocate the region into European Union and to advocate the European Union in the region.

I am really happy that today we can see the same commitment by high Greek diplomatic officials, who actually described the same vision the Greece has to advocate region into European Union and to advocate European Union in the region.

I do hope that very soon Croatia from the northern part of the Balkans and Greece from the southern part of the Balkans could join our efforts and work together to the benefit of all Balkan countries and to work together for the European future of all countries in this region.

Thank you very much.

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