

ZAGREB SUMMIT

FINAL DECLARATION

1. We, the Heads of State or Government of the Member States of the European Union, Albania, the former Yugoslav Republic of Macedonia, Bosnia and Herzegovina, Croatia and the Federal Republic of Yugoslavia, as well as the Foreign Minister of Slovenia, and the President of the European Commission, in the presence of the Secretary-General/High Representative for the CFSP, the Special Representative of the United Nations Secretary-General, the Special Representative of the EU to act as Coordinator of the Stability pact for south-eastern Europe and the High Representative for Bosnia and Herzegovina, are meeting in Zagreb at a time when democracy is about to carry the day throughout this region.

The year 2000 began with democratic change in Croatia, following the presidential and legislative elections. It continued with the victory of democratic forces in the FR Y in the elections of 24 September. This movement is developing in the interests of all the countries in the region and offers them new prospects.

2. The recent historic changes are opening the way for regional reconciliation and cooperation. They enable all the countries in the region to establish new relations, beneficial to all of them, for the stability of the region and peace and stability on the European continent. They give new impetus to a policy of good neighbourliness based on the negotiated settlement of disputes, respect for the rights of minorities, respect for international obligations, including with regard to the ICTY, a lasting resolution of the problem of refugees and displaced persons and respect for States' international borders. They strengthen regional security and are bound to assist the conclusion by the countries concerned of the negotiations on weapons control and reduction at regional level, as provided for in the Dayton agreements.

We would like to stress the important contribution made by the Stability Pact to the implementation of reforms, economic development and the strengthening of regional security and cooperation. The European Union was the initiator of the Stability Pact and will continue to act as its driving force.

Our aim is to hold a second Regional Funding Conference at which the countries concerned should submit economic recovery and reform programmes.

Democracy and regional reconciliation and cooperation on the one hand, and the rapprochement of each of these countries with the European Union on the other, form a whole.

3. Henceforth, the Heads of State or Government of the five countries concerned undertake to establish between their countries regional cooperation conventions providing for a political dialogue, a regional free trade area and close cooperation in the field of justice and home affairs, in particular for the reinforcement of justice and the independence thereof, for combating organised crime, corruption, money laundering, illegal immigration, trafficking in human beings

and all other forms of trafficking. These conventions will be incorporated in the stabilisation and association agreements as they are concluded with the European Union. The Heads of State or Government of the five countries concerned have declared the importance they attach to the training of police officers and magistrates and to the strengthening of border controls.

Rapprochement with the European Union will go hand in hand with this process of developing regional cooperation. Various initiatives by the partners also contribute to this aim. Hence, it is a matter of priority to develop regional cooperation, which must be applied to specific projects, such as reestablishment of navigation on the Danube. In this regard, we note with satisfaction that an extraordinary session of the Adriatic and Ionian Council took place this morning in Zagreb, with the participation of the President of the European Commission.

The European Union notes with satisfaction the first steps towards settling the question of the succession of the SFRY and urges the parties concerned to move forward. It also commends the rapid establishment of diplomatic relations between the countries of the region where they don't yet exist.

4. In this context, the way is now open to all the countries of the region to move closer to the European Union as part of the stabilisation and association process.

The European Union confirms its wish to contribute to the consolidation of democracy and to give its resolute support to the process of reconciliation and cooperation between the countries concerned. It reaffirms the European perspective of the countries participating in the stabilisation and association process and their status as potential candidates for membership in accordance with the Feira conclusions.

This stabilisation and association process is at the heart of the Union's policy towards the five countries concerned. It takes account of the situation of each country and is based on respect for the conditions defined by the Council on 29 April 1997 concerning democratic, economic and institutional reforms. On the basis of these criteria, the Union proposes an individualised approach to each of these countries, the content of which appears in the Annex.

The prospect of accession is offered on the basis of the provisions of the Treaty on European Union, respect for the criteria defined at the Copenhagen European Council in June 1993 and the progress made in implementing the stabilisation and association agreements, in particular on regional cooperation.

The European Union will shortly be launching a single Community aid programme for the countries participating in the stabilisation and association process, entitled CARDS (Community Assistance for Reconstruction, Democratisation and Stabilisation).

This new Community instrument for Albania, the former Yugoslav Republic of Macedonia, Bosnia and Herzegovina, Croatia and the Federal Republic of Yugoslavia will be endowed with a financial reference amount of EUR 4,65 billion over the period 2000-2006. It will accompany and support the democratic, economic and institutional reforms of the five countries concerned.

The Union is implementing and will extend to the five countries concerned asymmetric exceptional trade preferences which will favour access to the Community market for their industrial and agricultural products, so as to help relaunch their economies by stimulating their exports. The Union invites these countries to continue their reforms so as to draw maximum benefit from the trade opportunities created by these measures. The aim is to bring about the establishment of a balanced free trade area between these countries and the European Union in compliance with the rules of the World Trade Organisation.

ANNEX

STABILISATION AND ASSOCIATION PROCESS

ON AN INDIVIDUALISED BASIS

– **Albania:** the Union has commended the progress made since the feasibility study conducted by the Commission and it calls on the country's leaders to continue their efforts. The Union has decided to step up its cooperation and to spell out the reforms to be carried out. To this end it has been agreed that a high-level EU/Albania steering group will be set up. A report will be submitted to the Council before the middle of 2001 in preparation for the negotiation of a stabilisation and association agreement.

– **Former Yugoslav Republic of Macedonia:** we are today initialling the first stabilisation and association agreement, which marks an important stage in the implementation of the reforms carried out. The Union calls on the leaders of this country to continue their reforms in line with the provisions of the agreement.

– **Bosnia and Herzegovina:** the Union calls on the authorities of this country to continue their efforts, on the basis of the progress made, to enable Bosnia and Herzegovina to fulfil by the middle of 2001 all the conditions laid down in the "road map" drawn up last spring, so that the Commission can undertake a feasibility study.

– **Croatia:** the Union commends the scale of the efforts and the success of the reforms embarked upon since the start of this year by this country's authorities. They have now enabled negotiations to be started for a stabilisation and association agreement: we hope they will progress rapidly.

– **Federal Republic of Yugoslavia:** the prospect of a stabilisation and association agreement is now established in accordance with the invitation issued by the Council on 9 October 2000. A decision has been taken to set up a "EU/FRY consultative task force". The Commission will work on a feasibility study with a view to negotiating directives for a stabilisation and association agreement.