

The Director (interim)

Belgrade, 8 Mai 2020

Dear reader,

The EU-Western Balkan leaders' summit that took place on 6 May represented a key milestone in the strengthening of our relations, paving the way to a stronger economic integration between the region and the EU. Beyond the financing commitment taken by the EU to support Western Balkans' "post COVID-19" recovery, the reinforcement of the connectivity and a better access to the EU market are among the key deliverables of the summit. In particular, the conclusions state that the ongoing pandemic demonstrated how the EU and the Western Balkans are and should continue to jointly tackling the common challenges. This cooperation is reflected in the need to ensure "the fast flow of essential goods through Green Lanes linking the EU and Western Balkans".

The COVID-19 sanitary crisis has indeed deeply affected our economies and way of life. It also showed that transport has been - and remains - one of the sectors the most affected by the crisis. Granting the free flow of goods across the borders is a top priority for the EC, the WB partners and the regional organizations, including of the Transport Community since the beginning of the sanitary crisis.

The Permanent Secretariat responded timely to this challenge through a joint TCT/CEFTA initiative on setting "green lanes/green corridors" within Western Balkans that has been endorsed and implemented by all regional partners.

In the meantime, the Commission adopted on 29 April a communication on "Support to the Western Balkans in tackling COVID-19 and the post-pandemic recovery" (COM (2020) 315 final). This communication states - inter alia - "the Commission is ready to associate the region closely with the implementation of its 'Joint European Roadmap towards lifting COVID-19 containment measures'". In the coming months, the economic activity is going to recover and according to experts, road traffic is expected to grow at a rate of 4% per week in the next 2 months. To avoid major blockages at the land borders, we need to be as pro-active as possible.

As President von der Leyen recalled after the summit, the EU has associated its Western Balkan partners in the European Union initiatives that are normally only reserved for Member States "in the concept of the so-called 'green lanes' crossing the borders that helped enormously to have the flow of goods going." Along these principles, the TCT is ready to contribute to the "decontainement" process about to start and to make it a success through the involvement in all steps of all parties.

However, we should not restrict ourselves to the "post-COVID" stage. We must start thinking <u>now</u> about the next phase — the economic recovery and a deepened integration of the region in the EU market as indicated in the conclusions of the Zagreb summit. The "Green lanes" linking the EU to the Western Balkans must remain "green" also after the end of this emergency period. The summit provided a response to the urgent needs but it also offered to all interested parties a new opportunity to address the question of the connectivity between EU MS and WB with the ambition to "change the

game". Together, we can turn the current situation into an opportunity by tackling not only the urgency but also by proposing a longer-term vision that could improve significantly the intra Western Balkans and the EU-WB's accessibility. This requires the progressive removal of all unnecessary obstacles of both administrative and infrastructure nature affecting the good flow of goods and passengers from EU to WB.

The Permanent Secretariat is also ready to respond to this challenge. The joint TCT/CEFTA "green lines" aimed at providing a short term and temporary response to the present sanitary crisis. They showed very encouraging results. Based on this positive example, we can now beyond, focusing on the structural gaps that affect — since many years — the Border and Common Crossing Points intra WB and between EU-MS and WB, with a significant negative economic impact on both EU MS and WB parties.

The proposal that you find attached is - at this stage - a working document of the Permanent Secretariat but it can - if supported by the parties - quickly turn into an ambitious operational programme, including four priority pillars and built upon the existing "action plan" developed with the Western Balkan partners:

- <u>Priority 1</u>.: ensuring a smooth and coordinated removal of the existing temporary transit restrictions affecting traffic and trade flows between EU and Western Balkans, developing reliable cross-border traffic monitoring systems (like the Galileo app.);
- <u>Priority 2</u>: consolidating to good practices set up within Western Balkans (the "Green Corridor" initiative") and capitalizing it in view to ensure an (almost) free flow of goods within the WB in line with the MAP REA's objectives;
- <u>Priority 3</u>: setting a joint EU-WB action plan to remove all unnecessary obstacles existing at EU-WB borders (inadequate infrastructure redundancy in the proceedings developing new IT/Digital solutions strengthening the cooperation mechanisms developing information and monitoring mechanisms);
- <u>Priority 4</u>: identifying projects ("quick win") on infrastructure improvement or soft measures beyond those already submitted at the last WB6 summit, which could provide benefits within 12 to 18 months as well as longer-term investments improving the road and rail connectivity between EU and WB. A first list should be ready on time in view to be submitted at the next WBIF call.

The Permanent Secretariat is ready to cope with these challenges. If properly implemented this programme will bring tangible benefits to <u>all</u> parties. However, to make it a success, it requires a strong commitment of all parties belonging to the Transport Community but also the support of the other relevant stakeholders like IFIs and the regional organizations.

Together better Councited!

Alain Baron