During the Civil Society Forum meeting in Tirana, organisations from the Western Balkans and their experts have been deliberating and preparing contributions on the four topics presented below. The purpose of this endeavour was to formulate policy recommendations for the intergovernmental meeting on the occasion of the Western Balkans Summit in Trieste, which will take place on July 12 this year. The proposals of recommendations before you have been prepared following consultations on workshops held during the Civil Society Forum meeting in Tirana.

Youth cooperation in the Western Balkans

In the past two decades, the structures built to enable youth cooperation in the Western Balkans were mostly of an ad-hoc nature, and with lack of true and tangible support by national governments. In order to establish permanent regional mechanism of youth cooperation, the so-called Berlin Process created the Regional Youth Cooperation Office of the Western Balkans (RYCO).

Is RYCO enough or just a first step in enabling of stable and long-term youth cooperation in the region? What more can be done for youth, youth cooperation and mobility by national governments and the EU? How youth cooperation could take a part in fight/prevention of the rise of nationalism and radicalization across the region? How can youth cooperation improve the socio-economic situation in the region?

RECOMMENDATIONS

- Governments and the EU should increase funding for education, innovation, culture and sports.
- Governments should use the 2018 PISA results as a means to instigate reforms aimed at improving education, with a particular focus on the improvement of vocational education and training. By implementing the 2015 “Roadmap to a sustainable apprentice system.” EU could support.
- Governments should modify school curricula and university profiling to ensure more specialized knowledge in different IT sectors and areas.EU could support.
- Governments should make entrepreneurial events and activities an obligatory element in the university/high school syllabuses.EU could support.
Governments and the EU should increase funding for mobility, exchange, cooperation and innovation in the region and with the EU.

Governments should reach agreement on mutual recognition of diplomas.

EU should continue and increase participation of the Western Balkans countries in the EU-funded student exchange programmes.

Regional governments should create their joint fund for the IT sector and promote the region as an IT hub. EU could support.

EU and governments should enable/protect freedom of movement.

EU should make its carrot and stick/strict but fair approach more meaningful in order to maintain/regain the trust of youth in the EU accession process.

Governments should establish a network for preventing radicalisation, and the EU should extend EU’s Radicalisation Awareness Network (RAN) to the region.

Governments should establish a regional Anti-Corruption Institution to help raise awareness, increase the exchange of experience and boost the fight against corruption.

Governments and the EU should invest greater efforts in preventing bilateral disputes in the region.

**Rule of law and anti-corruption**

The rule of law in the Western Balkan countries is in decline. Its progress is prevented by widespread corruption and entwinement of party and administration resulting in governance through clientelism. Shared regional challenges to the rule of law include: lack of accountability, integrity, independence and transparency, low level of professionalism, out-dated administrative procedures, lack of clearly established criteria for career advancement of judges, erosion of public trust in the institutions, lack of expertise and allocated resources.

The rule of law reform requires not only legislative and technical improvements, but changes in mind-sets and attitudes. What are the biggest challenges for the rule of law in the Western Balkans? How can the Western Balkans overcome the ubiquitous principle of implementing technical and not substantive reforms? How can the EU’s strategy towards the Western Balkans and, in particular, the EU’s approach to the rule of law issues, be improved? What more could be done to improve regional cooperation in the fight against corruption and organized crime? What can be done to secure the unbiased and impersonal application of the law and prevent further politicization of the process? What are the directions for securing the meaningful role of civil society in monitoring and evaluating the rule of law reform?

**RECOMMENDATIONS**

- The EU should further develop a benchmarking system on the rule of law, based on its modification during the process, as well as by producing special reports on the degree of fulfilment of the most demanding benchmarks;
- The EU should provide better reporting on key problems and challenges with regard to the rule of law, making a clear link between the benchmarks and recommendations in its annual reports;
- Governments and the EU should secure a better monitoring framework for forceful legislative activity and country-specific implementation tools;
- Governments should present required information using accurate, reliable and accessible data;
- The EU should regularly address violations of the rule of law and the erosion of democratic standards in its annual country reports;
- Governments and the EU should make the European integration process more transparent through the publication of all important documents;
- The EU should call out political influence and pressure on institutions;
- Governments should provide a favourable environment for media and civil society engagement, free from labelling, intimidation and attacks, in order to increase the role of the NGO “watchdogs” and society in the control of accountability;
- The EU should secure a meaningful role for civil society in the decision-making process through an active role in the evaluation of their proposals and recommendations;
- Regional exchange of best practices should be improved, in particular with greater cooperation among police and prosecutors;
- Efforts to tackle grand corruption should be increased.

**Business environment and innovation potential in WB6: Role of SMEs**

The Western Balkan region’s intensive trade, business relationships, and commerce relationships constitute a pillar of the region’s stability and security. At the same time, region suffers from unprecedented unemployment, poverty and inequality. The investment, business and innovation climate is dismal, foreign direct investments are low, GDP per capita spans from 27% to 41% of the EU average, the most of the region’s countries’ export portion of their respective GDP is below the EU average and the emigration levels from the region are alarmingly high. But there are at least three areas of interest that could put a spotlight on developing the competitiveness of the economies of the Western Balkan region through associated action, cooperation and harmonization of activities: culture and creative industries, social economy and social enterprises, entrepreneurship and innovation.

How can we put more focus on economic and trade relationships among the Western Balkan countries in high-level state meetings? What structures and support mechanism can spur development of entrepreneurial initiatives especially in cross-border cooperation in cultural and creative industries? What changes can we make to our regulatory and tax framework to enable innovation and entrepreneurial action especially among unemployed youth? What reforms in the educational sector would potentially contribute to achieving higher levels of youth engagement in entrepreneurial initiatives and start-ups? How can we improve access to finance the region’s most prosperous SMEs and social enterprises? What means are there to use to attract impact investors to the region?

**RECOMMENDATIONS**

- Cooperate with OECD and EU bodies to develop inclusive innovation and entrepreneurship policies;
- Improve the regulatory and tax framework for SMEs, social enterprises and other entrepreneurial initiatives;
- Map existing ecosystems for key actors and work on creating inter-country links among the existing hubs and incubators;
- Create innovation, social economy, SME, and creative industries regional clusters;
- Develop and launch a Social Business Initiative (SBI) for the Western Balkans modelled after the EU’s 2011 SBI;
- Improve the investment environment into the SME sector and attract impact investors for social businesses to enable innovators and enterprises to access needed capital;
- Enable development of financial intermediaries for the SME, social enterprises, innovators, and creative industries;
- Introduce the Social Investment Fund for the Western Balkans, impact bonds, guarantee facilities and other payment-by-results instruments;
- Stimulate cross-border activities and networking for innovators as well as social, creative and traditional entrepreneurs;
- Remove or lower market entry barriers for SMEs that pursue innovation, social enterprises, high-value sectors;
- Enable cooperation among traditional and social enterprises to aid development of a social economy sector;
- Enable public-private partnerships that facilitate the pursuit of innovation and stimulate development of creative industries including social enterprises as potential vehicles for such development;
- Develop a regional platform for the pursuit of commerce, excellence in innovation, funding and access to market initiatives.

**Bilateral issues**

By signing the ‘Declaration on Regional Cooperation and the Solution of Bilateral Disputes’ at the Western Balkans Vienna Summit 2015, the Western Balkan countries committed not to block the progress of neighbours on their respective EU paths, to resolve any open questions through bilateral negotiations and to report annually on the progress made in this regard. Despite the commitment undertaken by signing the Declaration, growing tensions and the complex political situation in the region have in some cases challenged the progress achieved. The risk of renewed instability posed by persistence of outstanding bilateral issues directly undermines regional cooperation and good-neighbourly relations, and disrupts the EU accession process, and distract from domestic reforms.

How to prevent further deterioration of bilateral issues and good-neighbourly relations in the region and reverse the negative trends? Can the EU and its members do more to assist in resolving outstanding bilateral issues, and improve regional cooperation and good-neighbourly relations? What could be monitoring mechanisms of the implementation of the commitments undertaken with the Vienna Declaration on regional cooperation and the solution of bilateral disputes? What should be the role of civil society in this process? What types of bilateral issues are best dealt with using the Berlin Process as a platform?

**RECOMMENDATIONS**

- Call upon the WB countries to reaffirm their commitment to continue to work together in the spirit of the Vienna Declaration and to abstain from misusing outstanding bilateral issues in the EU accession process, as well as to reiterate their invitation to neighbouring EU member states to join this commitment at the Trieste Summit;
- Call upon the WB countries to intensify their efforts to resolve bilateral issues and the work of the respective Inter-State Diplomatic Commissions dealing with border demarcation, as well as to regularly follow up on their commitment to deliver annual reports on progress made, with a view to maintain the momentum created in Vienna;
• Call upon Italy, the host country of the Berlin Process/other participating EU member states/the EC to prioritize tackling outstanding bilateral issues in its engagement with the region;
• Recommend setting up a pool of international law experts in sovereignty issues, territorial disputes and Law of the Sea, as well as facilitators and mediators, recruited among EU and Western Balkans countries specialists, to provide expertise, technical support and facilitation upon request;
• Call upon the countries of the Western Balkans to increase their cooperation with the (Office of the) High Commissioner on National Minorities of the OSCE and make use of its expertise and good offices regarding minority rights and the relations of the kin state with its kin in neighbouring countries;
• Call for transparency of the process through an increased involvement of local populations and civil society in the process of resolving bilateral issues;
• The CSO should set up a mechanism for monitoring the commitments undertaken in the Vienna Declaration.