

## **The First SAA Ten Years After - High Impact, Shadowed Prospect**

- Summary of the Conference held on 8 April 2011, Skopje –

On April 8 2011 EPI held a Conference titled “The First SAA Ten Years After“, on the occasion of the tenth anniversary of the signature of the Stabilisation and Association Agreement between the Republic of Macedonia and the European Communities and their Member States (Luxemburg, 9 April 2001). The basic aim of the Conference was to assess the results of the association and look into its prospects.

Minister of Economy Mr. Fatmir Besimi opened the Conference. On behalf of the EU Presidency H.E. Mr. Ferenc Kékesi, Ambassador of the Republic of Hungary, addressed the Conference. Ms. Malinka Ristevska Jordanova, Director, welcomed the participants on behalf of EPI. Ms. Agneza Rusi, Director of the EU Directorate in the Macedonian Ministry for Foreign Affairs and Robert Lidell, Minister Counsellor from the EU Delegation also addressed the Conference.

Minister Besimi stressed the high impact of the Agreement on political and economic reforms in the Republic of Macedonia. At the same time he said that economic growth had to be intensified, as with the current pace, Macedonia would reach EU average GDP in seventy years.

Participants in the two panels – the first one focused on political issues, and the second one – on economic issues agreed that the SAA significantly influenced the direction of reforms in the Republic of Macedonia. Nevertheless, they stressed that accepting EU values and implementation of aligned policies and laws was crucial. Although incentives by EU, including through the SAA, are assessed as important, democratization as an essential element of the SAP should be primarily driven and stimulated by national political agents – underlined several participants, calling on experiences from CEE. The institutionalised cooperation within SAA bodies was considered highly valuable – as an instrument for dialogue, but also as a learning process on modes to find solutions and reach consensus on implementing EU policies, externalised through the Agreement.

Most participants stressed that the imposed name dispute had a highly negative impact on the overall climate and intensity on EU related reforms. Furthermore, the Second phase of the Stabilisation and Association Agreement was blocked, due to dissent by Greece. Thus, the prospects of the association, as envisaged in the SAA, are uncertain.

On 1 January 2011, after ten years progressive opening of the Macedonian market for EU products, a Free Trade Area between the Republic of Macedonia and EU has been established, except for a limited number of sensitive products. Despite the high level of trade integration with the EU, the low competitiveness and limitation to a small number of export products was assessed as a structural and long-term problem. Even though numerous strategic documents were adopted, results are lacking. It was crucial that Macedonian institutions continuously implement consistent national policies and measures for improving competitiveness and increasing export, participants assessed.

Panelists at the Conference were: Prof. Sasho Georgievski, Radmila Shekerinska (Chairperson of National Council for EU Integration), Prof. Dimitar Mirchev (Counsellor of the President of the Republic), Ivica Bocevski (former Deputy Prime Minister), Sasho Klekovski (Co-Chair of the Consultative Committee of the Social-Economic Committee), Prof. Silvana Mojsovska, Prof. Vancho Uzunov and Ljubica Nuri (Economic Chamber of Macedonia). More than 60 representatives of state institutions, diplomatic missions, NGO and business sector, academia and experts participated at the Conference.

Conference participants, welcoming EPI’s establishment, underlined the need to revitalise the public debate on the integration of the Republic of Macedonia in the EU.