

## **SOUTH-EAST EUROPE 2020 STRATEGY DEVELOPMENT PROCESS**

### **Sustainable Growth Workshop**

Sarajevo, February 19-20, 2013

#### **1. Background to the meeting**

Following the adoption of the South East Europe 2020 Vision (SEE 2020), at the Ministerial meeting on November 24, 2011, and the adoption of high-level regional headline targets for growth by the SEE region's Ministers of Economy (at their meeting in Tirana on November 9, 2012), the Regional Cooperation Council and its partners are initiating the development of a SEE 2020 Strategy, as the main regional framework for growth. The Strategy is based on five pillars: (i) integrated, (ii) smart, (iii) sustainable and (v) inclusive growth, underpinned by (v) good governance.

The intended process of associating various regional platforms with the pillars of SEE 2020 and the subsequent involvement of these platforms in Strategy implementation requires a de-centralized approach in Strategy development. Bringing together the relevant contributors within each of the pillars is the first step envisioned in the Strategy development process. The day and a half workshop on sustainable growth, organized by the RCC is dedicated to raising awareness on the SEE 2020, prioritizing action, and agreeing on the process and governance structures within this pillar of the Strategy. The intended outcome of the meeting is a clear identification of pillar structure, along with a detailed roadmap outlining main stakeholders, with a description of their roles, responsibilities and timelines within the SEE 2020 development process.

#### Sustainable growth pillar of the SEE 2020 Strategy

In line with the EU 2020, which calls for the entrepreneurial Europe and mandates the improvement of business environment and efficient energy and raw materials utilization, SEE 2020 Vision targets improvement of the industrial policy in the Western Balkans in support to business and entrepreneurship, as well as regional value chain development, through efficient use of energy and other resources. SEE 2020 puts competitiveness and resource sustainability at the centre of all efforts dealing with growth and development in the Western Balkans. Challenges presented by shrinking competitiveness, inefficient use of resources, inadequate "hard" and "soft" types of infrastructure and impacts of climate change require dramatic shifts in thinking and acting. These challenges are further compounded by the on-going economic downturn in the SEE and its main export markets.

The sustainable growth pillar, as envisioned by the SEE 2020 Vision, will attempt to deal with the issues of economic, environmental and resource sustainability in a coherent and holistic way, while putting the focus on the need to strengthen the industrial base. Rekindling industry and manufacturing will be especially important given its ability to drive productivity growth, innovation and trade. Manufacturing generates up to 70% of trade volumes and up to 90% of business spending in R&D, and is traditionally a source of longer-term and better paid jobs. However, the range of fundamental factors important for development of manufacturing is extensive: access to low cost/highly qualified workforce, proximity to demand, access to innovation, sound transportation and logistics infrastructure, efficient utilization of energy and natural resources, and availability of sustainable and price-competitive inputs. While the overall SEE 2020 Strategy attempts to address most of these factors, the sustainable growth pillar will focus on the latter three, in the context of strengthening regional industrial base.

A multitude of regional activities have been implemented, are planned, or are underway in several areas crucial for sustainable development. Energy is one such dimension, being dealt with regionally under the **Energy Community** framework; regional issues in the area of the environment are currently being coordinated by DG Environment through the **Regional Environment Network for Accession** (RENA) Project and the **South East Europe Transport Observatory** (SEETO) addresses the transport issues, representing another area that



demonstrates the importance of regional cooperation given the cross-border nature of these networks. Strengthening the climate dimension within the **Environment and Climate Regional Accession Network** (ECRAN) to replace RENA soon, is of particular importance taking into account that integrated climate and energy policies stand at the heart of the Europe 2020 growth agenda. RCC Secretariat intends to liaise with these and other partners under the sustainable growth pillar of the SEE 2020 framework to identify tangible targets and goals and determine possible measures and actions that would be offered to the Western Balkans economies for endorsement and subsequent implementation in the context of increased competitiveness and growth.

Increased share of renewable energy sources in the overall final energy consumption, improved energy efficiency and decreased green-house gases (GHGs) emissions, as mandated by Europe 2020, should become an integral part of SEE 2020 Strategy as well. The challenge and complexity of modern development means that many of the individual components of infrastructure development are often inter-related, impacting each upon another and require an integrated approach to deliver successful solutions and reach ``sustainable infrastructure`` as a crucial prerequisite for integrated economic development. Moreover, addressing EU 20/20/20 requirements under the sustainable growth pillar of the SEE 2020 Strategy asks for establishing strong links with other Strategy`s pillars.

RCC envisions a de-centralized approach in development and implementation of the SEE 2020, with an intention of empowering the main regional partners and providing a platform for multi-stakeholders involvement and multi-level governance necessary to reach consensus based and balanced development.

## **2. Meeting participants**

The most important regional stakeholders relevant for the implementation of the SEE 2020 strategy in the sustainable growth domain are invited to the meeting, including: Energy Community Secretariat (ECS), SEETO, DG Environment and DG CLIMA to ensure the coordination and complementarities of all stakeholders in integrating environmental (climate) dimension including RENA/ECRAN, WBIF Secretariat, DG Enlargement, Regional Environmental Centre (REC), SEE Investment Committee (SEEIC), CEFTA Secretariat, EU Strategy for the Danube Region (SDR) representative, Standing Working Group for Regional Rural Development (SWG RRD) as well as key international partners such as the OECD, GIZ, and IFI Coordination Office.

## **3. Meeting objective(s)**

The main objectives of the meeting are the following:

- i. review existing regional targets and put forward proposals for new ones in the area of sustainable growth;
- ii. take stock of sustainability related actions in SEE in the context of regional targets and actions within SEE 2020,
- iii. identify the programming level priorities to reach the SEE 2020 targets and discuss their feasibility in the regional context and activities needed to define targets where necessary,
- iv. determine the roles and responsibilities of all stakeholders and contributors involved,
- v. define the process of development and format of programming to implement the SEE 2020 Strategy in the sustainable growth domain and identify any additional technical assistance needs to further its development;
- vi. discuss possible monitoring mechanism and governance structures to implement programmes prepared under the Strategy, and
- vii. identify potential synergies with other pillars of the SEE 2020 Strategy.

## **4. Expected result and outputs**

The meeting is organized with the intended result of generating a clear roadmap for the development of SEE 2020 Strategy in the sustainable growth pillar and defining main features of the programming and implementation arrangements going forward.



**Sustainable Growth Workshop  
Meeting Agenda**

Sarajevo, 19-20 February 2013

**Tuesday, February 19, 2013**

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*Venue: Regional Cooperation Council, Sarajevo*

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| 09.00-11.00 | <b>Introduction to the workshop and taking stock of current work</b><br><i>- define the structure of the pillar and identify main targets, objectives and dimensions</i><br><i>- review actions to date and existing commitments taken by the Western Balkans members</i>  |
| 11.00-11.15 | Coffee break   |
| 11.15-13.00 | <b>Programming and prioritisation</b><br><i>- define the priority measures including, time-permitting, their following features: (i) description of measures, (ii) expected results and objectives, (iii) envisioned actions, (iv) indicators for monitoring, (v) interaction with other pillars, (vi) responsible bodies, (vii) partners for implementation, (viii) timetable and milestones and (ix) budget and sources of finance</i> |
| 13.00-14.00 | Lunch  |
| 14.00-16.00 | <b>Programming and prioritisation (cont'd)</b>   |
| 16.00-16.15 | Coffee break   |
| 16.15-17.30 | <b>Roles and responsibilities of main contributors and the SEE 2020 development process</b><br><i>- develop a detailed roadmap with identified roles, responsibilities and timelines for development</i>   |
| 20.00       | Dinner   |

**Wednesday, February 20, 2013**

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| 09.00-11.00 | <b>Identification of links with other SEE 2020 pillars and potential synergies</b><br><i>- identify main lateral links with other part of SEE 2020 and develop a list of inputs to be addressed through other dimensions of SEE 2020</i> |
| 11.00-11.15 | Coffee break   |
| 11.15-13.00 | <b>Monitoring system and governance structures to implement SEE 2020</b><br><i>- review of existing monitoring systems and propose the main features of monitoring and governance for the pillar</i>                                     |
| 13:00       | Lunch  |

