



**COUNCIL OF
THE EUROPEAN UNION**



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**Third meeting of the Stabilisation and Association Council
between the European Union and Montenegro
JOINT PRESS RELEASE**

1. The EU-Montenegro Stabilisation and Association Council (SA Council) held its third meeting on Tuesday 18 December 2012. The meeting was chaired by Ms Erato KOZAKOU-MARCOULLIS, Minister for Foreign Affairs of the Republic of Cyprus, who led the European Union delegation (on behalf of the EU High Representative for Foreign Affairs Catherine Ashton). Mr Igor LUKŠIĆ, Deputy Prime Minister and Minister of Foreign Affairs and European Integration, led the delegation of Montenegro. Mr Štefan FÜLE, Commissioner responsible for Enlargement and European Neighbourhood Policy, represented the European Commission.
2. The meeting of the SA Council took place two months after the presentation by the European Commission of its Enlargement Strategy Paper and Progress Report, and only one week after the adoption by the EU Council of important conclusions on Enlargement and the Stabilisation and Association Process. It also followed the formation of a new Montenegrin government. Against this background, the meeting provided a timely opportunity to review the overall state of relations between the EU and Montenegro, and more particularly the progress made by Montenegro in its preparations for accession.
3. The SA Council warmly welcomed the fact that in the meeting of the Intergovernmental Conference held the same day substantive accession negotiations had started, with the opening, and provisional closure, of chapter 25, Science and Research. The SA Council also noted that the screening process was well advanced and that Montenegro was gradually establishing its negotiating structures. It welcomed the fact that the working groups for the negotiating chapters included representatives of civil society and stressed the importance of ensuring the inclusiveness of the reform process in order to achieve the necessary progress in the accession negotiations.

P R E S S

4. The SA Council reviewed the state of Montenegro's preparations for accession, starting with the political criteria. The SA Council recalled the particular importance attached to the area of the rule of law and fundamental rights. It noted the issues identified by the Commission in its Progress Report which Montenegro will have to tackle as a matter of priority, especially the independence of the judiciary, the fight against corruption and organised crime. It was noted that, in line with the new approach for the chapters on judiciary and fundamental rights and justice, freedom and security, both areas were being addressed early on in the negotiations to allow maximum time to establish the necessary legislation, institutions and solid track records of implementation. The SA Council welcomed that the EU Council had finalised the examination of the screening reports for both chapters, which would allow Montenegro to start preparing the required Action Plans: these would constitute the opening benchmarks for these chapters.

The SA Council welcomed the pluralistic conduct of the parliamentary elections in Montenegro, which were held on 14 October 2012 in an efficient and transparent manner, while noting that some improvements were necessary with regard to the compilation of voter lists, the oversight of campaign finances and the review of complaints. The SA Council welcomed the formation of a new government in Montenegro and expressed its confidence that this government would maintain the reform momentum. The SA Council particularly welcomed the progress made in strengthening the legislative and oversight role of the Parliament, as well as the increased transparency of its work, and encouraged these efforts to be pursued.

The SA Council then considered a number of areas related to the political criteria, including the public administration and judicial reforms, the fight against corruption and organised crime, the protection of human, civil and political rights as well as of social and economic rights, the defence of the rights of LGBT persons, the protection of women's rights, gender equality, and the situation of displaced persons. The SA Council generally welcomed the progress made and encouraged Montenegro to build upon this progress to further advance its reform process.

The SA Council commended Montenegro for its strong commitment to regional cooperation and its constructive role in maintaining regional stability. It also welcomed the active participation of Montenegro in numerous regional initiatives in South Eastern Europe and the good neighbourly and bilateral relations it entertains with other enlargement countries. The SA Council encouraged Montenegro to continue working towards finding mutually acceptable solutions to the pending border issues with other countries of the Western Balkans.

5. Concerning the economic criteria, the SA Council welcomed the fact that despite a difficult economic context, Montenegro had managed to broadly preserve its macroeconomic stability, with an economic policy focused on the stabilisation of the economy and the public finances through fiscal consolidation efforts and implementation of structural reforms. It encouraged Montenegro to take appropriate measures, notably to improve the business environment by reducing the informal sector, and improving the country's infrastructures and addressing weaknesses in the rule of law. The SA Council welcomed the submission by Montenegro, in January 2012, of its first Pre-accession Economic Programme, covering the period 2012-2014.

6. The SA Council welcomed the progress made by Montenegro in aligning its legislation and capacity with European standards and in implementing its commitments under the trade and trade-related provisions of the Stabilisation and Association Agreement. In this regard, the SA Council welcomed the good progress made in the areas of public procurement, transport policy, statistics and science and research, whilst encouraging Montenegro to pursue efforts in other areas, such as free movement of workers, free movement of capital, company law, food safety, veterinary and phytosanitary policy, taxation, enterprise and industrial policy, environment and climate change, and financial and budgetary provisions, where progress needs to be intensified. It also noted that further progress on quality standards, veterinary and phytosanitary control was necessary in order to fully benefit from trade concessions under the Stabilisation and Association Agreement. The SA Council noted that Montenegro's administrative capacity needed to be strengthened in view of the accession negotiations and to ensure effective implementation of the *acquis*.

The SA Council particularly welcomed the progress made by Montenegro in the area of the judiciary and fundamental rights. Implementation of recently adopted legislation had started and progress had been made with regard to the publication of court rulings and the case backlog. The SA Council encouraged Montenegro to complete the on-going constitutional reform in line with European standards and the Venice Commission's recommendations to strengthen judicial independence and accountability. The SA Council also noted with satisfaction that Montenegro had strengthened its anti-corruption legal framework and further developed its track record of investigations, prosecutions and convictions in corruption cases, while noting that further significant efforts were needed in this respect. The SA Council welcomed that the legal and institutional framework for the protection of fundamental rights had been further strengthened, and encouraged Montenegro to address remaining shortcomings in the protection of human rights by judicial and law enforcement authorities, and to step up efforts to investigate and prosecute cases of violence against journalists.

7. The SA Council reviewed the situation as regards pre-accession assistance, which is provided by the EU through the Instrument for Pre-accession Assistance (IPA). It noted with satisfaction that the IPA financial allocations totalled EUR 171.7 million for the five-year period 2009-2013, and that IPA 2007, 2008, 2009 and 2010 programmes had been or were about to be fully contracted. It noted that the implementation of projects was currently on-going, and that as of end September 2012, 76.8% of the funds had been contracted. The SA Council welcomed the steps taken by Montenegro to prepare and submit the application package for the conferral of management of IPA Components I and II in July 2012, and encouraged Montenegro to accelerate the preparations for decentralised management for IPA Components III and IV, and in particular for Component V.
8. Finally the SA Council had an exchange of views concerning recent developments in the Western Balkans region.