## P7\_TA(2011)0014

## Stabilisation and Association Agreement between the EC and Serbia

## **European Parliament resolution of 19 January 2011 on the European integration process of Serbia**

## The European Parliament,

- having regard to the Stabilisation and Association Agreement between the European Communities and their Member States and the Republic of Serbia, which is in the process of ratification by Member States and the European Parliament, and the Interim Agreement on trade and trade-related matters between the European Community and the Republic of Serbia, which entered into force on 1 February 2010,
- having regard to the Council Conclusions of 25 October 2010 inviting the Commission to prepare its opinion on Serbia's application for membership of the European Union and to the Council Conclusions of 14 June 2010,
- having regard to UN Security Council Resolution 1244 (1999), to the ICJ Advisory Opinion of 22 July 2010 on the question of the accordance with international law of the unilateral declaration of independence in respect of Kosovo, and to the UN General Assembly Resolution of 9 September 2010, which acknowledged the content of the opinion and welcomed the readiness of the EU to facilitate the dialogue between Belgrade and Pristina<sup>1</sup>,
- having regard to Council Decision 2008/213/EC of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Serbia and repealing Decision 2006/56/EC<sup>2</sup>,
- having regard to the Commission's 2010 Progress Report on Serbia<sup>3</sup> and the Commission communication of 9 November 2010 entitled 'Enlargement Strategy and Main Challenges 2010-2011'<sup>4</sup>,
- having regard to the joint statement by the EU-Serbia Inter-Parliamentary Assembly of 4-5 October 2010,
- having regard to the EU-Serbia readmission agreement of 8 November 2007<sup>5</sup> and to Council Regulation (EC) No 1244/2009 of 30 November 2009 amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement<sup>6</sup>,
- having regard to its recommendation to the Council of 25 October 2007 on relations

<sup>2</sup> OJ L 80, 19.3.2008, p. 46.

A/RES/64/298.

<sup>&</sup>lt;sup>3</sup> SEC(2010)1330.

<sup>&</sup>lt;sup>4</sup> COM(2010)0660.

<sup>&</sup>lt;sup>5</sup> OJ L 334, 19.12.2007, p. 46.

<sup>&</sup>lt;sup>6</sup> OJ L 336, 18.12.2009, p. 1.

between the European Union and Serbia<sup>1</sup> and to its resolution of 26 November 2009 on the Commission's 2009 enlargement strategy paper concerning the Western Balkan countries, Iceland and Turkey<sup>2</sup>,

- having regard to the reports of the Chief Prosecutor of the ICTY presented to the UN Security Council on 18 June 2010 and 6 December 2010,
- having regard to the Statement of the HR/VP Catherine Ashton of 8 September 2010 on the next steps at the UN concerning the advisory opinion on Kosovo,
- having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas in the Presidency Conclusions issued following the Thessaloniki European Council of 19 and 20 June 2003 a commitment was made to all the Western Balkan states that they would join the European Union once they meet the established criteria and this commitment was reiterated in the renewed consensus on enlargement approved by the European Council on 14 and 15 December 2006 and the Council Conclusions of 25 October 2010 on Serbia,
- B. whereas the pace of integration into the EU of the Western Balkan countries is individual and depends on the merits of each one of them with regard, in particular, to the determination to satisfy all the requirements, meet all the obligations, carry out the reforms and adopt the necessary measures that EU membership implies,
- C. whereas constructive approaches towards regional cooperation and good-neighbourly relations are key elements of the Stabilisation and Association Process; whereas they play a decisive role in the process of transformation of the Western Balkans into an area of longstanding stability and sustainable development,
- D. whereas Serbia is in a position to become an important player in guaranteeing security and stability in the region,
- E. whereas the EU itself is based on principles such as reconciliation, compromise and peaceful coexistence; whereas the EU policy in the Western Balkans follows the same aims in order to improve relations between the peoples of the region; whereas, in line with this policy, the EU condemns all war crimes that took place in the former Yugoslavia and supports the work of ICTY and of the local War Crimes Chambers in their effort to ensure justice and accountability,
- Reaffirms that Serbia's future lies in the EU, and encourages the country to continue its
  efforts towards this aim; commends Serbia on the progress achieved in the reform process;
  welcomes the decision to open the ratification procedure of the Stabilisation and
  Association Agreement with Serbia taken by the Council on 14 June 2010 and the fact that
  11 Member States have already ratified the Agreement; calls on the remaining Member
  States to swiftly proceed with the ratification procedure;
- 2. Welcomes Serbia's application for membership of the European Union, submitted on 22 December 2009, and the decision taken by the Council of Ministers on 25 October 2010 to ask the Commission to examine Serbia's application; takes the view that the Council's

<sup>&</sup>lt;sup>1</sup> OJ C 263 E, 16.10.2008, p. 626.

<sup>&</sup>lt;sup>2</sup> OJ C 285 E, 21.10.2010, p. 47.

decision gives a positive signal to Serbia and encourages it to step up the reforms needed in order to comply with the Copenhagen criteria; underlines that the Council decision represents an important contribution to the stability of the Western Balkans; calls on the Commission to prepare its opinion on the subject, according to the procedure laid down in Article 49 of the Treaty on European Union;

- 3. Welcomes the Council decision on the liberalisation of the visa regime, which allows Serbian citizens to travel visa-free to the Schengen Area as of 19 December 2009; welcomes the decision of the Serbian Government to allow EU citizens to travel to Serbia with ID cards and calls for further initiatives to facilitate people-to-people contacts and mobility of persons in the Western Balkan region; calls on the Serbian authorities to adopt adequate measures and make full efforts in order to limit possibilities to abuse the visa-free regime, in particular to ensure that Serbian citizens are properly informed about their rights and obligations stemming from the visa-free regime;
- 4. Notes with satisfaction that IPA assistance works well in Serbia; encourages both the government and the EU to simplify the administrative procedures for IPA funding with the aim of making it more accessible to smaller and non-centralised beneficiaries; stresses the need to maintain an adequate level of pre-accession support in the forthcoming review of the EU's financial framework;
- 5. Welcomes the joint EU-Serbia resolution on the advisory opinion of the International Court of Justice on Accordance with International Law of the Unilateral Declaration of Independence of Kosovo, adopted by acclamation by the UN General Assembly on 9 September 2010; welcomes the Serbian Government's willingness to engage in renewed dialogue with Kosovo within an EU framework and calls for the talks to start without delay; calls on Serbia to enter into dialogue with Kosovo without any longer referring to new negotiations on its status; expresses its confidence that a step-by-step approach can be employed to the benefit of all citizens of Kosovo; underlines that the dialogue, in order to be successful, will require commitment and readiness to compromise from both sides in view of their common European future and their common interest in establishing long-term peace and stability in the region and improving people's wellbeing; stresses that the ability to facilitate this process constitutes a test for the EU's credibility and political vision for the whole region; recalls that good-neighbourly relations are one of the most important conditions for all the Western Balkan countries to progress towards EU membership;
- 6. Welcomes the improved cooperation with EULEX but underlines the need for further efforts to this end, in particular to improve the exchange of information; calls on the Serbian authorities to facilitate the cooperation of EULEX with the Kosovo Serbs in its efforts to implement the rule of law in the north of Kosovo;
- 7. Urges the Serbian Government to dismantle Serbian parallel structures in Kosovo that undermine the decentralisation process and prevent the full integration of the Serbian community into the Kosovo institutions; calls, in this regard, on the Serbian authorities to play a constructive role with regard to the setting-up and functioning of the municipal institutions in Serbian multiethnic municipalities both north and south of the Ibar river;
- 8. Calls on the Serbian authorities to adopt a constructive attitude towards the forthcoming general elections in Kosovo; points out that stable and multiethnic institutions in Kosovo are in the interest of both Serbia and the other neighbouring countries and considers, in this regard, the participation of Kosovo Serbs in the electoral process an indispensable element

aimed at preventing the Kosovo Serbian community from being marginalised;

- 9. Notes the efforts of both Serbia and Kosovo to locate persons missing since the 1998-1999 conflict through the 'Working Group on Persons Who Are Unaccounted For In Connection With Events In Kosovo'; underlines the significance of the resolution of this issue in moving forward from the 1998-1999 conflict; further notes the approximately 1 862 cases of persons still missing and calls on both Serbia and Kosovo to extend all possible cooperation to each other, the ICRC, EULEX and other entities in searching for these persons;
- 10. Underlines that the development of regional cooperation remains a key priority for the EU and is intended as a catalyst for reconciliation, good-neighbourliness and enhancing people-to-people contacts in the Western Balkans; calls, therefore, on Serbia to follow a constructive approach towards more inclusive regional cooperation, making it possible to find a practical and sustainable solution to the representation of Kosovo in regional fora; welcomes, therefore, the EU-Western Balkans High Level Meeting held in Sarajevo on 2 June 2010;
- 11. Recalls that full cooperation with ICTY is a fundamental condition for Serbia to progress on the path to EU membership; notes that Serbia continues to respond adequately to ICTY requests for assistance and calls on the Serbian Government to continue working closely with the Court, including swift transmission of all requested documents and timely completion of cases transferred back from ICTY; points out, however, the most recent assessment by the ICTY Chief Prosecutor that Serbia's efforts to apprehend the two remaining fugitives continue to be problematic; underlines that only apprehension and extradition of the fugitives to The Hague can be deemed the most convincing evidence of full cooperation and calls for more systematic efforts to arrest them so that the mandate of the Court can be finally fulfilled; in particular, urges a re-evaluation of the current approach, in line with the ICTY recommendations; emphasises that Serbia can only gain candidate status and/or open accession negotiations with the EU if the ICTY Office of the Prosecutor assesses that it has offered full cooperation;
- 12. Welcomes the resolution on Srebrenica adopted by the Serbian Parliament as a significant step in the process of raising awareness of the atrocities that happened in the recent past and of regional reconciliation; commends the decision of President Tadić to participate in the commemoration of the 15th anniversary of the genocide in Srebrenica as a further step in this direction, as well as his visit to Vukovar, where he paid his respects and apologised to the victims of the massacre at Ovčara in 1991, giving a new impetus to the development of good-neighbourly relations between Serbia and Croatia; welcomes the commitment and professionalism of the Office of the Special Prosecutor for War Crimes, including the swift reaction with regard to the Lake Perućac investigation;
- 13. Notes the reform of the judiciary and calls for further energetic efforts in order to ensure the independence and impartiality of judges and to improve the efficiency of the work of the courts; welcomes the political decision to start the reappointment procedure of judges but underlines that it should be carried out in a transparent manner, guaranteeing the right of non-reappointed judges to effectively appeal against such decisions, and warns against the politicisation of this process; draws attention to the delays in adopting the relevant legislation and calls on the government to swiftly send the remaining draft laws to the parliament; calls for complete transparency in the administration of justice; moreover, calls for further financial and administrative resources to be assigned to the courts, including the

Constitutional Court, in order to improve their functioning and to eliminate the backlog of cases; in this connection, considers that the restitution of property to its former owners should enjoy considerable priority; stresses that the presumption of innocence is one of the central legal instruments ensuring the rule of law; calls on the authorities and particularly the executive branch to strictly adhere to this principle;

- 14. Recalls that the efforts to uphold the rule of law should constitute the utmost priority of the authorities; welcomes the progress in the fight against corruption, manifested inter alia by the recent high-profile prosecutions and by the establishment of the appropriate legal framework, as well as by the launching of the activities of the Anti-Corruption Agency in January 2010, but underlines that corruption is still prevalent in the country and calls for more efforts to eradicate it; notes in particular the role played by trafficking and the negative consequences of this and other forms of illicit activities in sustaining criminal networks; draws attention to the practice of holding double offices, which presents a serious risk of conflicts of interests and which should be addressed as a matter of priority; in this connection, is concerned about the recent changes to the Law on the Anti-Corruption Agency, which tend in the opposite direction, and notes the Agency's referral to the Constitutional Court of the constitutionality of this provision; calls on the authorities to give all necessary political and administrative support to the activities of the Anti-Corruption Agency and underlines the need to swiftly investigate the cases of corruption reported by the Agency; calls for the adoption of the amendments to the Law on the Financing of Political Parties in order to ensure full transparency and an efficient system for monitoring party financing; encourages the authorities to adopt legislation providing effective protection of whistleblowers; stresses the importance of the restitution of property as an important step in administering justice; stresses the importance of following established procedures rigorously in order to strengthen society's trust in the impartiality of the administration of justice;
- 15. Welcomes the progress in the reform of public administration; stresses that more efforts should be put into the creation of an independent civil service, to this end calls for the introduction of a merit-based career system, including a professional and transparent hiring process and effective human resources management, and draws attention, in this context, to the detrimental practice of hiring staff in ways which do not accord with the Law on Civil Servants, often on the basis of political connections; draws attention to the underrepresentation of national minorities in public administration and the courts, as well as in state-owned companies; draws attention to the continuous need for capacity-building of the administration, at both national and local level, calls for further strengthening of capacity and coordination of public administration in the field of EU integration and calls on the Commission to continue to assist the authorities to this end, in coordination with other donors;
- 16. Welcomes the progress in the police reform and increasing cooperation in the police field with the neighbouring and EU countries; welcomes, in particular, the agreement on police cooperation with Croatia, Montenegro and Bosnia and Herzegovina; welcomes the signing of a roadmap for cooperation with Europol with a view to the conclusion of an operational agreement with this EU law enforcement agency; stresses, however, that enhanced efforts are needed in order to meet the challenges of the roadmap, particularly in areas related to the protection of personal data and classified data, key elements also for the conclusion of a cooperation agreement with Europust;

- 17. Draws attention to the cases of improper police conduct, including instances in which authority was exceeded and violence by police officers towards citizens, and calls for further energetic efforts to be made in order to punish the offenders; to this end, welcomes the cooperation of the police with independent oversight authorities and the implementation of their findings; regards the neutrality of police forces and other law enforcement bodies when dealing with members of all minorities as enjoying the highest priority and calls on the authorities to improve sensitivity training in this field; welcomes the efforts to increase the participation of women in the police force;
- 18. Welcomes the efforts made to date to eliminate the legacy of the activities of the security services in the past; points out, in this regard, the necessity of further reform in the security sector, particularly lustration and an increase in parliamentary oversight and control of the security services; reminds the authorities that making secret services' archives available to the public is necessary for successful regional reconciliation, particularly with regard to atrocities that took place during the Second World War and afterwards; draws attention to the insufficient protection of privacy rights, and calls for further reforms in this respect;
- 19. Welcomes the improved coordination between the police and prosecutors, which is bringing results in combating organised crime and drugs trafficking, which present common challenges for the EU and Serbia; notes the signature of cooperation memoranda with Latin American countries with the aim of dealing more effectively with the overseas drugs trade; calls for further efforts to improve internal police and judicial capabilities, underlining that drug trafficking from and through Serbia remains of concern for the EU;
- 20. Recalls the importance of a properly functioning parliament as a vital institution in the democratic system and welcomes the procedural innovations brought about by the adoption of the new Law on the National Assembly; calls for immediate abolition of the unconstitutional practice of 'blank mandates', which allows the political parties to control the activities of members of parliament; furthermore, calls for a halt to the arbitrary allocation of seats in the parliament; calls on the political parties to introduce appropriate provisions in line with European democratic standards at the earliest possible date, certainly within the lifetime of the present parliamentary cycle; welcomes the adoption of the new parliament's Rules of Procedure, calls for strengthening of the oversight of the government's activities and commends the formal introduction of the public hearings to this end in the Rules of Procedure; welcomes the fact that for the first time provisions allowing oversight of independent bodies have been included in the Rules of Procedure but raises concerns regarding the parliament's possible interference in the work of these bodies; calls for the drafting of new provisions in line with the recommendations of the Venice Commission that set the legal framework for these bodies to carry out their work independently;
- 21. Commends the work carried out by the Ombudsman in protection of the rights of citizens with regard to the proper functioning of state institutions, including action in support of children and minority rights, both at state and provincial levels; calls on the state authorities to facilitate these efforts and to ensure adequate follow-up to the Ombudsman's recommendations; welcomes the establishment of three local offices of the Ombudsman in the municipalities of Preševo, Bujanovac and Medvedja;
- 22. Recalls the utmost importance of strong and independent media for democracy and calls for steps to be taken to ensure their independence from political pressures and other influence;

welcomes the efforts of the Serbian Government to establish a legal framework guaranteeing freedom of speech but expresses concern regarding attempts to control and interfere in the media sector; is concerned about the controversies surrounding the privatisation of the 'Večernje novosti' daily and calls on the government to secure equal treatment of all foreign and domestic investors; condemns the attacks on and threats directed against Serbian journalists and calls on the authorities to fully investigate them and bring perpetrators to justice; draws attention to the concentration of ownership and lack of transparency in the media sector; draws attention to the cases of publication of personal data and underlines the need for self-regulation by journalists and respect for the Code of Ethics; notes that the level of internet access remains low, recognises the importance of the internet in media freedom and urges the authorities to take positive steps in this field;

- 23. Underlines the importance of the decentralisation process in improving the functioning of the state by bringing it closer to the citizens, while at the same time respecting their right to provincial autonomy and local self-government; in this context, welcomes the adoption of the Law on National Minority Councils, which regulates the competences and the election of national minority councils in a way that is in line with international standards: recognises the progress in the implementation of the November 2006 Constitution through the adoption of the Statute and the Law on the competencies of Vojvodina; calls for the process of devolution of power to be continued by the adoption of the Law on public incomes and by the Law on the public property of Vojvodina and local municipalities, which will allow Vojvodina to start wielding authority under the new Statute; moreover, calls for further political efforts to address the aspirations of the Albanian minority in Preševo valley to local administration by swift provision of appropriate funds to be distributed in consultation with the Coordination Body for the Municipalities of Preševo, Bujanovac and Medvedja; at the same time, stresses the key responsibility of the representatives of the Albanian minority and urges them to discourage strident nationalistic and secessionist rhetoric, which is in sharp contrast to basic European values; equally, underlines the importance of integration of Serbs into these local government bodies;
- 24. Welcomes the efforts made by Serbia in the field of the protection of minorities; underlines, however, that access to information and education in minority languages remains to be improved, in particular in the case of the Bosniak, Bulgarian, Bunjevci and Romanian minorities;
- 25. Welcomes the establishment of a majority of the national minority councils, allowing them to take decisions in the fields of education, culture, use of minority languages and public information; notes the importance of the full implementation of the competencies of these minority self-governing bodies and the necessity of adequate budgetary subsidies guaranteed by the Law on National Minority Councils; notes the complaints about the irregularities in the preparation process and the legal requirements for the establishment of the councils, as well as the complaints about the violation of the guaranteed competencies of national councils by some ministries and local municipalities, and calls on the authorities to respond to them; raises concerns regarding the setting-up of the Bosniak national council and calls for a swift conclusion of the process in compliance with the rules, permitting legitimate representation of the Bosniaks in the council; is concerned about increasing tensions in Sandžak, as manifested inter alia by recent violent incidents, and strongly calls for political disputes to be resolved through dialogue within the framework of democratic institutions;

- 26. Welcomes the progress made in relation to the promotion of gender equality, in particular the adoption of the Gender Equality Act and the adoption of the national action plan for improving the position of women and promoting gender equality; recalls, however, that the implementation of these measures is still pending and that women remain discriminated against, notably in the labour market; therefore calls on the Serbian authorities to swiftly put the new legal framework on gender equality into practice and tackle wider issues of gender-based discrimination, such as the increasing level of domestic violence in Serbia;
- 27. Calls for further steps to be taken to fully implement anti-discrimination law and welcomes the progress in this field, in particular the establishment of the Commissioner for the Protection of Equality, as an important step in ensuring the equal treatment of all citizens of Serbia;
- 28. Recalls that freedom of expression and of assembly are core European values and welcomes the fact that the Gay Pride parade in Belgrade took place on 10 October 2010; sees the event as a step of seminal importance towards establishment of an open, tolerant and diverse society and as the government's commitment to uphold EU standards of tolerance and to protect vulnerable minorities in society; expresses satisfaction with the adequate security measures taken for the protection of the parade's participants;
- 29. However, deplores the violent clashes accompanying the Parade, which resulted in a large number of injuries, mostly among the police; draws attention to the fact that the extremists involved had indirect support from certain political parties and prominent religious figures; calls on the Serbian authorities to ensure the rule of law, by prosecuting the perpetrators of the violence which marred the parade and by effectively banning the extremist organisations to which they belong; notes that these organisations were responsible for instances of serious violence in the past, in particular on 17 February 2008 and at a number of sport events; takes note, in this regard, that a number of such cases are now pending before the Constitutional Court; calls for the adoption of appropriate measures to combat effectively all kinds of extremism and radicalism in society;
- 30. Stresses that many Roma still live in extreme poverty, which has a particularly negative impact on the life chances of young Roma; moreover, points out that they suffer discrimination on the labour market, only 5% of them holding a permanent job; calls on the authorities to take urgent steps with regard to their situation, by providing all of them with ID cards, as well as to improve their access to adequate housing, the job market, education and healthcare; draws attention to the continuous discrimination as well as recent cases of violence against the Roma population and of forceful relocation of Roma by the Serbian authorities;
- 31. Points out that Serbia is the country with the highest number of refugees and internally displaced persons (IDPs) in Europe; underlines their difficult situation concerning housing and poverty and calls on the Serbian authorities to revise the national strategy on refugees; welcomes Serbia's initiatives to revitalise the regional process for a durable solution to refugee problems and calls on the signatory countries of the Sarajevo Declaration to achieve more significant progress in this area; points out, in this regard, the common commitment of the Serbian and Croatian Presidents to investigate the fate of missing persons and to find solutions to refugee and return issues; calls on the Commission to use its political leverage over the EU candidate and potential candidate countries in the region in order to ensure that obstacles hindering the return of refugees are removed; moreover, recalls that up to 150 000

- returnees are foreseen as a result of readmission agreements with EU countries and that their successful reintegration will require thorough preparations, particularly by local authorities; stresses the important role played by civil society organisations in this process;
- 32. Welcomes the reforms in the military sector and in particular the professionalisation of the Serbian Army, which came into force on 1 January 2011, as an important step towards modernisation of the army and further strengthening of civilian control of the military;
- 33. Underlines the important role played by civil society in determining policy priorities; emphasises the importance of dialogue with civil society organisations and stresses the crucial role of civil society actors in contributing to enhanced regional cooperation on social and political aspects; welcomes the fact that the new Law on Associations adopted in 2009 has clarified the legal status of NGOs and that improvements in cooperation between the Serbian administration and civil society have been made; acknowledges the government's efforts to consult civil society; calls on the authorities to take further steps to formalise and increase participation of civil society actors in the policy-making process and in the monitoring of activities of the authorities; stresses the need for support and protection of civil rights defenders, notably LGBT activists, those working on war crimes and those seeking to improve relations between Serbia and Kosovo;
- 34. Expresses, in this respect, its support for the RECOM initiative (Regional Commission for Truth Seeking and Truth Telling about War Crimes and Other Serious Violations of Human Rights in the former Yugoslavia) with a view to further moving forward the process of awareness and reconciliation throughout the Western Balkans, and calls for support for it from the authorities in Serbia and other countries concerned;
- 35. Stresses the utmost importance of the education system for the country's youth and future economic prospects; underlines that modern and high-standard education which produces generations of high-skilled workers is one of the central preconditions for social and economic development; regrets the high unemployment in the country, particularly among young people, and the low percentage of university graduates; calls on the authorities to fully implement provisions of the Bologna process and to bring the Serbian education system into line with European standards; welcomes the progress in the area of science and research but stresses that further efforts are needed if Serbia is to join the European Research Area; furthermore, calls on the authorities to increase investments in national research capacities in order to prevent Serbian research standards and capacities from lagging behind European ones;
- 36. Acknowledges the extended general collective agreement that the Serbian Government signed with the trade unions and the employers' association in November 2008; encourages the Serbian Government to end the current suspension of the agreement; underlines that trade union rights still remain limited despite constitutional guarantees and calls on Serbia to further enhance labour and trade union rights; is concerned that the social dialogue remains weak and the consultation of social partners irregular; recognises that the Social and Economic Council has met more frequently and that all specialised bodies are operational, but is concerned that its capacity remains weak; calls for further steps to be taken to strengthen the Economic and Social Council to ensure that it can take an active role in strengthening the social dialogue and play a more active consultative role in law-making;
- 37. Draws attention to the difficult situation in the prison system and calls for steps to be taken to remedy prison over-crowding, to improve deplorable detention conditions and to provide

appropriate rehabilitation programmes and training for the inmates;

- 38. Underlines the detrimental consequences of the financial crisis for the country; notes the recent review of the stand-by agreement with the IMF, accompanied by the positive evaluation of the country's macroeconomic policies, and welcomes the setting-up of the Western Balkans Investment Framework for the advancement of the integration and the economic recovery of the region, making available loans for priority infrastructure projects; calls for expansion of the framework to include support to small and medium-sized enterprises and invites Serbia to take advantage of these new financial resources, as well as of the opportunities under the IPA assistance, also with a view to more effectively protecting vulnerable groups in society from the effects of the crisis;
- 39. Recalls that the existence of monopolies severely hampers the development of a fully functioning market economy; therefore, calls on the government to take active measures to ensure that an effective competition policy is pursued by abolishing them; stresses that the obstacles facing the entry of small and medium-sized enterprises into the economy remain more substantial than is desirable; welcomes the establishment of market regulators in various fields and looks to the authorities to ensure independence of these bodies in order to prevent their 'capture';
- 40. Notes further that the country's national and economic statistics require further improvement and calls on the authorities to upgrade these;
- 41. Calls on the Serbian authorities and political movements to make a firmer commitment to employment policies and social cohesion and to create an environment conducive to the development of democracy, the rule of law, a free market economy and respect for human rights;
- 42. Calls for further efforts to develop a sustainable network of public transport inside Serbia and throughout the whole of the Western Balkans and to improve the road infrastructure, including swift completion of Corridor X, but equally importantly rail and inland waterway transport; underlines the importance of an integrated transportation system both for economic development of the Serbian regions and to increase the level of regional trade; expresses particular interest in the development of the Danube Strategy in order to improve connection and communication systems (covering in particular transport, energy issues and the information society), preserve the environment, prevent natural risks and reinforce socioeconomic development;
- 43. Regrets, in this regard, the poor condition of public transport with regard, in particular, to railways; calls on the Serbian Government to make full use of the IPA funds in order to develop, upgrade and modernise the railway network and improve the interconnections with neighbouring countries for both people and freight;
- 44. Commends Serbia's good progress in the field of the environment; encourages, however, intensified efforts in the field of renewable energy and energy efficiency, noting that main elements of the acquis on renewable energy remain to be transposed and that a legislative framework on energy efficiency is still to be adopted;
- 45. Welcomes the adoption by the Chemicals Agency of a rulebook which limits or bans production of chemicals posing a risk to human health and the environment and that brings the chemicals industry more into line with EU regulations; regrets, however, that the

- application of certain provisions requiring advanced technology and related investments has been delayed as, according to industry representatives, it would lead to financial losses and disruption of industry's business operations in Serbia; calls for the swift and full implementation of the 2009 green legislative package;
- 46. Welcomes the agreements with Montenegro and Croatia allowing the extradition of citizens of these countries suspected of taking part in organised crime and the foreseen talks on the demarcation of the border between Serbia and Croatia; encourages the Serbian Government to conclude similar agreements with other neighbours and welcomes the steps taken to this end by Serbia and Montenegro; encourages Serbia to continue sharing intelligence and evidence on cross-border crime networks, particularly those involved in drug-trafficking, with neighbouring countries in order to effectively fight transnational organised crime in the Balkan region;
- 47. Stresses the important role played by Serbia as regards the stability of the whole Western Balkans and in particular the stability and cohesion of Bosnia and Herzegovina; calls in this regard on the Serbian authorities to actively support all necessary constitutional changes that would enable BiH state institutions to carry out challenging reforms in the European integration process; calls on Belgrade in particular to support the consolidation, streamlining and strengthening of Bosnian state institutions;
- 48. Calls on the Serbian authorities to continue approximating EU environmental legislation and standards and to implement and enforce the legislation adopted;
- 49. Instructs its President to forward this resolution to the Council, the Commission and the Government and Parliament of Serbia.