Parliamentary Assembly
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COUNCIL OF EUROPE
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Recommendation 1494 (2001)[1]

Technological strategies for the reconstruction and economic development of Southeastern Europe

Parliamentary Assembly

1. The Assembly is aware that technological reconstruction, as an essential factor of economic recovery in Southeastern Europe, is very important for peace, stability and sustainable development in the region and for its full integration into Europe.

2. In recent decades the technological pace of the countries of Southeastern Europe has gradually slowed down and their products have become less competitive on the world market because of centralised industrial planning, political imperatives in decision-making, massive subsidisation, administrative price fixing and considerable over-manning.

3. Since the disappearance of the "iron curtain", these countries have been forced to move directly from a centrally planned economy to an increasingly competitive worldwide market, with the difficult reforms that entails: macro-economic stabilisation, free prices, privatisation, strict budgetary discipline and technological reconstruction.

4. The economic situation in Southeastern Europe has gradually deteriorated because of the numerous conflicts caused by the disintegration of Yugoslavia and the slow pace of economic reform in the region.

5. The crisis in Kosovo, in particular, has had far-reaching economic consequences: trade relations have been broken off, infrastructure has suffered extensive damage, investment has dried up, resulting in delays in structural and technological reforms.

6. The Assembly welcomes the outcome of the presidential elections in the Federal Republic of Yugoslavia and the start of the process of democratic change in the country, which significantly speeded up the lifting of the sanctions imposed by the United Nations and the European Union.

7. The Assembly considers that the slow-down in technological and economic development in Southeastern Europe could exacerbate economic and social inequalities, leading to the appearance in Europe of new dividing lines that undermine its stability and security.

8. Membership of the European Union, a priority objective for the countries of Southeastern Europe, means meeting the criteria laid down in Copenhagen, which is impossible without a technological reconstruction strategy encompassing the whole region.

9. The Assembly, recalling, inter alia, its Recommendation 1423 on Southeastern Europe following the Kosovo conflict: economic reconstruction and renewal, welcomes the intensification of the Council of Europe's efforts in this field, which include technological strategies.

10. The Stability Pact for Southeastern Europe initiated by the European Union has demonstrated the determination of the international community to act promptly and to work towards the economic reintegration and the technological reconstruction of these countries, based on the following principles:

10.1. giving priority to multilateral projects to stimulate regional co-operation;

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1. Assembly debate on 24 January 2001 (5th Sitting) (see Doc. 8914, report of the Committee on Science and Technology, rapporteur: Mr I. Ivanov). Text adopted by the Assembly on 24 January 2001 (5th Sitting).

10.2. taking into account the degree of economic development in each country;

10.3. keeping procedures transparent in order to prevent corruption.

11. The accession by the Federal Republic of Yugoslavia to the Stability Pact for Southeastern Europe on 26 October 2000 means that it is now possible to intensify the measures taken to bring about the economic reconstruction of the region and implement technological strategies for all countries in Southeastern Europe.

12. The Assembly is aware that technological strategies in Southeastern Europe will work only if a solid foundation exists, based on the following criteria:

12.1. respect for democracy, human rights and the rule of law;

12.2. substantial progress in the establishment of a market economy, a fair and stable environment for firms, the liberalisation of trade and services, the opening up of financial and property markets and a healthy, efficient and transparent privatisation process;

12.3. the introduction of legislative measures and administrative practices that discourage corruption and organised crime and guarantee a stable and predictable environment for investment;

12.4. appropriate renewal of transport, energy distribution and telecommunications infrastructure, which is essential to the European integration of the countries in the region.

13. The Assembly considers that the development of new technologies would help to reduce damage to the environment, even that caused by the recent conflicts in the region.

14. It believes that foreign investment, vital to the economic development of the countries undergoing transition, could play a decisive role in the implementation of technological strategies in Southeastern Europe.

15. Accordingly, the Assembly encourages the main international financial institutions – the World Bank, the European Investment Bank, the European Bank for Reconstruction and Development, the International Monetary Fund – to give their financial support to the economic reforms in Southeastern Europe, which will necessarily lead to technological reconstruction in all the important sectors – industry, infrastructure, education, research and the environment.

16. It realises that economic reconstruction – in particular technological renewal in Southeastern Europe – must not delay plans to enlarge the European Union towards the countries of the region.

17. The Assembly reaffirms its support for the Stability Pact, which it welcomes and considers as the proper framework for increased regional co-operation and international support for the implementation of technological strategies for the economic reconstruction and development of Southeastern Europe. It recommends that the Committee of Ministers support the swift, effective implementation of Stability Pact projects geared, in particular, to:

17.1. technological reconstruction of transport infrastructure, in particular:

a. urgent removal of the debris of destroyed bridges and the resumption of international navigation on the Danube, in view of the river's importance as a pan-European transport and regional co-operation route;

b. building of pan-European corridors (Tina) to a standard comparable to the European Union's transport network (Ten), stressing the intermodal approach to transport and the connections needed to bind Southeastern Europe to the rest of the continent;

c. renewal of airports, river and sea ports and related installations in the region;

d. technological development of road, rail, river and marine transport facilities to make them competitive and guarantee optimum exploitation of transport systems;

17.2. technological renewal of the energy sector, in particular:

a. application of new technologies to electricity generation, to increase productivity and reduce energy costs;

b. creation of a Southeast European Energy Community, based on a common approach to energy security and the development of renewable energy resources;

c. encouragement of investment in and transfers of modern energy technologies in the countries of Southeastern Europe, to boost energy efficiency and reduce their energy consumption and dependence.

18. The Assembly is aware that the new information and communication technologies can provide Southeastern Europe with very powerful new tools of technological and industrial development and, considering that co-operation in this field between the countries of the region and the European Union is quite insufficient, recommends that the Committee of Ministers invite the European Union's member states to help the countries of Southeastern Europe:

18.1. rapidly to develop the digital information and telecommunications technology sector, in order to establish a proper information technology framework, and in particular:

a. mobile telecommunications networks;

b. Internet networks;

c. e-commerce;

18.2. to set up an intra-regional network of cutting-edge technology transfer centres;

18.3. to establish and develop SMEs producing computer hardware and software;

18.4. to build science and technology parks in place of the old state research centres, which were generally out of touch with industry, taking into account the pan-European value of the scientific potential of the countries in the region.

19. The Assembly recommends that the Committee of Ministers invite the countries of Southeastern Europe to take urgent steps in the education and research field to create a propitious environment for technological strategies and, in particular:

19.1. to improve the interaction between university research and industrial technology of immediate benefit to technological development;

19.2. to encourage participation by universities in the projects of the European Commission's 5th Framework Programme for research and development (R&D);

19.3. to set up and subsidise national research centres, organised into an intra-regional network on new information and communication technologies;

19.4. to provide teaching establishments with the equipment needed to use the new information and communication technologies, including data networks;

19.5. to encourage young people to study the new technologies in order to guarantee the continuity of technological strategy implementation in the region.

20. The Assembly, recalling its Recommendation 1457 (2000) on new technologies in small and medium-size enterprises (SMEs), believes that SMEs play a very important part in technology transfer in Southeastern Europe and recommends that the Committee of Ministers invite the member states in the region:

20.1. to encourage the creation of SMEs by experts who are aware of the need to introduce and make use of new technologies in the region;

20.2. to facilitate the construction of science and technology parks based on SMEs to foster innovation and the development of new technologies.

21. The Assembly is aware that the efforts of the countries of the region to modernise their technologies with the help of the international community could bear fruit if intra-regional and cross-border economic co-operation was extended and intensified. In this respect, the Assembly asks the European Union and the World Bank, which are responsible for setting the Stability Pact projects in motion, to give priority to regional projects involving at least two countries of Southeastern Europe.

22. The Assembly recommends that the Committee of Ministers invite international organisations such as Unesco, the United Nations Economic Commission for Europe (UN-ECE), the Southeast European Co-operative Initiative (Seci), etc., to strengthen co-operation with the countries of Southeastern Europe, based on projects which contribute to the region's technological strategies.