My overall observation is that the Western Balkans is progressing steadily and that the region is drawing closer to the European Union.

I believe the stabilisation of the region and its development is in the interest of the EU, because the European project will be completed only when all of the Western Balkans countries will be included into the EU; this will enhance Union's credibility in the international arena.

Especially in these days Western Balkans need special attention, because if the Ukraine and Middle East conflicts continue to escalate, destabilisation could be exported to the Western Balkans. In the same vein, the activity of Islamic extremists might also have an effect in the countries of the region (*if the region fails to demonstrate political stability and establish mechanisms to prevent such influence*).

**The Islamic element in the region is clear and present danger, we all should consider at seriously!**

I believe a European identity of the region which is guaranteed by welcoming Western Balkans countries into the EU family, is the best way to prevent instabilities from two mentioned areas spreading to the region.

The EU negotiating process **respecting the full conditionality,** presents the right framework to achieve this. However, we should bear in mind that the nature of challenges faced by Western Balkan countries seeks for applying also different – more political tools.

I refer especially to remaining unresolved bilateral and multilateral issues stemming from the dissolution of the former SFRY. The consequences of the conflict from the 90-is have still not been entirely remedied and the reconciliation process is still not completed. Several extremely sensitive issues remain outstanding (*including the non-recognition of new states and their boundaries, the return of refugees and the restitution of their property*).

These issues cannot be resolved effectively only through the negotiating framework, which is a technical exercise. And since they should be resolved before the countries enter the EU I think we need to strengthen the regional cooperation and include the EU Institutions to deal with open issues more actively; the EU member states (on a highest political level) should back this engagements.

EU institutions already have a leverage on solving outstanding open issues in the region: for example the role of the EEAS in the Belgrade-Pristina dialogue and that of the Commission in resolving border issue between Slovenia and Croatia - are just two examples of possible active involvement with tangible results.

These kind of good practices, which have proven successful with really difficult issues, would be needed for helping conduct constitutional reforms in BiH which will increase the efficiency of the Government essential for BiH to become an equal partner in the EU accession process. Some sort of practical solution should also be found for Makedonija to continue its way towards the EU membership – again engagement of the E Commission backed by EU Member states should be applied.

Also regional initiatives has proven to be useful in addressing complex bilateral and regional issues. In this regard Slovenia and Croatia with the help of France and Germany launched Brdo Process to reinforce political dialogue on the highest political level and tackle problems and challenges that cannot be addressed by the usual EU's tools (on the level of experts). An important initiative has been launched by Germany with the ambition to stimulate economic and political progress by strengthening interactivity among the Western Balkans countries, through concrete infrastructural and energy projects. In this context I hope different initiatives will follow the same orientation and slowly merge into one single process.

But let me at this point reiterate what we strive to achieve through Brdo Process:

1. Enhance political dialogue between and among the countries of the region and the EU, but as well strengthening the infrastructure interconnecting of the region and linking it to the European Union. Let me underline particularly the modernisation of the railway from Munich to Istanbul, via Ljubljana, Zagreb and Belgrade. Equally important is the completion of the Adriatic-Ionian motorway.
2. Give proper emphasis to the energy security and especially of the energy efficiency of the region by enhancing energy infrastructure and better inclusion of the Western Balkan region in the EU's energy plans.
3. Increase the existing and add new bilateral scholarships from EU Member States and offer them to as many students from the region as possible, through upgrading existing EU programmes. As a first step a fund raising conference for scholarships could be organised, the proposal has already been presented by Slovenija and France in the Council for High Education.
4. And last, but by no means least, enhancing the cooperation in the area of justice and home affairs. Because challenges that are assuming a global scale, such as terrorism, organised crime, human trafficking and corruption may be addressed only within a comprehensive regional framework.

A great deal of political courage and commitment are needed in order to tackle these problems, but I’m confident by tackling them we will pave the way for all-round development of the region.

In order to boost the economic development of the region, within the framework of Brdo Process, president Pahor is also contemplating the idea of organising a High level event together with the Heads of States, line ministers, European commissioners and potential investors – dedicated to economic development and investments in the region. But the mentioned High level meeting should also serve for initiating a comprehensive debate on the future of the region and on its many potentials.