

Council conclusions on Enlargement and Stabilisation and Association Process

General Affairs Council meeting
Brussels, 16 December 2014

The Council adopted the following conclusions:

- "1. The Council takes note of the communication from the Commission of 8 October 2014 on the Enlargement Strategy and Main Challenges 2014-2015 and the progress reports on Turkey, Montenegro, Serbia, the former Yugoslav Republic of Macedonia, Albania, Bosnia and Herzegovina and Kosovo^{*}, and of the conclusions and recommendations therein.
2. In line with the renewed consensus on enlargement approved by the European Council on 14 and 15 December 2006, and the Council conclusions of 13 December 2013, the Council reiterates that enlargement remains a key policy of the EU and continues to contribute to mutual benefits of peace, democracy, security and prosperity in Europe. The Council continues to attach great importance to the credibility of the enlargement process, which remains crucial for maintaining the momentum of reforms and public support for enlargement both in the region, where it should be promoted through better communication, and in the EU Member States.
3. Active and credible accession negotiations, which respect the EU's commitments and established conditionality, along with all the other dimensions of the EU-Turkey relations addressed in these conclusions, will enable EU-Turkey relations to achieve their full potential. The Council reaffirms its unequivocal commitment to the European perspective of the Western Balkans. In line with previous Council conclusions and in the framework of the Copenhagen political criteria and Stabilisation and Association Process, that remains the common framework for relations with the Western Balkans up to their accession, it also reaffirms the need, in accordance with the renewed consensus on enlargement, for fair and rigorous conditionality and the principle of own merits, combined with the EU's capacity, in all its dimensions, to integrate new members.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

4. The Council welcomes the efforts of the Commission to strengthen the focus on addressing fundamental reforms early in the process and in particular the emphasis on the three pillars of the rule of law, economic governance and public administration reform. These issues linked to the Copenhagen criteria are of horizontal significance, fall within established conditionality, and need to be tackled with determination.
5. The Council underlines the central importance of the rule of law. In line with the new approach, key challenges that require particular and urgent attention include, in particular, judicial reform, the fight against organised crime and corruption, the freedom of expression and the media, the rights of persons belonging to minorities, the non-discriminatory treatment of national minorities, as well as tackling discrimination of vulnerable groups such as the Roma, and lesbian, gay, bisexual, transgender and intersex (LGBTI) persons. Further work is also required to promote gender equality and the rights of women. The Council looks forward to the completion of preparations aimed at candidate countries' participation as observers in the work of the EU's Fundamental Rights Agency. The rule of law is also crucial for economic development and creating a favourable business environment and investment climate.
6. The Council welcomes the Commission's increased focus on strengthening economic governance and competitiveness, with the aim of improving the business environment and boosting growth, job-creation and investment. To support efforts towards meeting the Copenhagen economic criteria, the Council notes that for the Western Balkans, this will involve the preparation of Economic Reform Programmes. In particular, the Council welcomes efforts to reflect the European Semester process at the EU level in the new economic governance approach and encourages further work on this. Based on these programmes, the Council will set out targeted policy guidance. In this context the Council recalls the importance of accurate and reliable statistics as a key factor in economic governance. The Council looks forward to the establishment of a high-level economic dialogue with Turkey. It underlines the importance for European citizens and business of improving energy and transport networks and connectivity. In this regard, the Council also calls for closer cooperation with EU Member States as a contribution to EU energy security, including the infrastructure to diversify supply sources. Supporting economic growth and development should also mitigate migratory pressure on the EU.
7. The Council welcomes the Commission's enhanced approach on public administration reform. It looks forward to a more structured, political discussion in the Stabilisation and Association Agreement bodies, as well as the use of the accession negotiations to encourage the necessary reforms, in order to address politicisation of public service and challenges in terms of its transparency, accountability, professionalism and effectiveness.
8. Strengthening the functioning and independence of democratic institutions is essential. This includes ensuring constructive, inclusive and sustainable dialogue across the political spectrum, notably within the parliament and with civil society. In this regard, more needs to be done to foster an enabling environment for civil society organisations.
9. Developments beyond the EU's borders underline the importance of further deepening cooperation on foreign policy issues. Bilateral foreign policy dialogue should be enhanced. In this regard, the Council underlines the importance of progressive alignment with the EU's foreign policy positions, notably on issues where major common interests are at stake, such as on Russia and Ukraine.
10. The Council recalls the continued EU financial assistance, in particular in the form of the new Instrument for Pre-Accession (IPA II) for the period 2014-2020. The launch of IPA II sees the introduction of a sector approach, enhanced coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy, increased budget support and prioritisation of projects. Coordination with international financial institutions is being further strengthened.

11. Good neighbourly relations and regional cooperation are essential elements of the Enlargement process, as well as of the Stabilisation and Association Process, and contribute to prosperity, stability, reconciliation and a climate conducive to addressing open bilateral issues and the legacies of the past. The Council welcomes the efforts made to overcome legacies of the past, foster reconciliation and support inclusive regional cooperation, including through promoting a climate of tolerance and condemning all forms of hate speech or wartime rhetoric. The Council reiterates the need to avoid any source of friction or actions that could damage good neighbourly relations and the peaceful settlement of disputes. Continuous efforts are needed in this regard, including the protection of all minorities, ensuring equal rights for all citizens, and addressing the issues of missing persons and refugee return. The Council underlines the need to continue handling domestic war crimes cases, as well as addressing impunity for war crimes and to ensure accountability, including fully cooperating with and supporting the work of ICTY and the EULEX Special Investigative Task Force.
12. In general, continued efforts are needed to tackle outstanding bilateral disputes, including border disputes, in order to ensure that they do not have a detrimental effect on the accession process. Outstanding disputes and issues should be solved in line with international law and established principles, including through implementation of legally binding agreements, inter alia the Agreement on Succession Issues.
13. While recognising in particular the importance of visa liberalisation for citizens, the Council encourages the Commission to continue to closely monitor the implementation of all conditions set for visa liberalisation, including through its follow-up mechanism. The Council encourages the authorities concerned to actively continue their efforts to take all the necessary measures against the abuse of the visa free travel regime in order to ensure its unrestricted continuation and encourages them to continue the constructive cooperation in the field of the management of migration flows.
14. The Council fully supports the work of the South-East European Cooperation Process and the Regional Cooperation Council, its operational arm, and its focus on addressing the targets and priorities of the SEE 2020 Strategy. The Council takes good note of the June 2014 decision of the SEECP to make Kosovo a participant. The Council underlines the importance of regional economic cooperation sharing best practice on economic governance and promoting connectivity and inclusiveness within the region and with the EU. In this regard the Council welcomes the work of the Western Balkans Investment Framework which supports investments boosting jobs and growth and promoting connectivity, based on a coordinated approach for the major investments along the main infrastructure corridors. The Council welcomes all regional initiatives aimed at strengthening inclusive dialogue and cooperation.

ENLARGEMENT

TURKEY

15. The Council reaffirms the importance it attaches to EU relations with Turkey. Turkey is a candidate country and a key partner for the EU. Its dynamic economy provides a valuable contribution to the prosperity of the European continent. The EU should remain the anchor for Turkey's political and economic reforms. Turkey can accelerate the pace of negotiations by advancing in the fulfilment of the benchmarks, meeting the requirements of the negotiating framework and by respecting its contractual obligations towards the EU. In this context, the Council welcomes the commitment of the Turkish government to EU accession and looks forward to the concrete follow-up of its recently adopted EU Strategy which aims to reinvigorate Turkey's accession process.

16. The Council recalls the important regional role of Turkey and its active involvement in its wider neighbourhood. The very serious developments in the region, in particular in Syria and Iraq, render it crucial that dialogue and cooperation on foreign policy issues is increased within the framework of the EU-Turkey political dialogue. The Council welcomes the reception and shelter by Turkey of well over one million refugees fleeing the violence in Syria and Iraq. The EU will continue to support Turkey so it can deal effectively with the increasing flow of refugees. The political dialogue should be used to develop closer cooperation against ISIL and its funding networks, as well as to enhance the cooperation to stem the flow of foreign fighters. The Council also welcomes the active counter terrorism dialogue between the EU and Turkey, and the exchange of best practice on the prevention of radicalisation and recruitment to terrorism. Operational cooperation will be further enhanced by the adoption by Turkey of further relevant counter-terrorism legislation, including on data protection. The Council recalls that the PKK is on the EU list of terrorist organisations. In line with the Negotiating Framework, the EU continues to encourage Turkey to develop its foreign policy as a complement to and in coordination with the EU, and to progressively align with EU Common Foreign and Security Policy.
17. The Council welcomes the continued implementation of reforms adopted in previous years, in particular measures announced in the September 2013 democratisation package, and the Action Plan for the Prevention of Violations of the European Convention on Human Rights. The Council also strongly supports the renewed efforts towards a peaceful settlement of the Kurdish issue. The Council encourages further engagement by all parties to move the process forward.
18. The Council welcomes the entry into force in October of the EU-Turkey readmission agreement. The Council also welcomes the findings of the report of the Commission on progress made by Turkey in fulfilling the requirements of the visa liberalisation roadmap. Progress in the dialogue on visa liberalisation will be founded on a performance-based approach and conditioned on effective and consistent implementation by Turkey of the requirements in the visa roadmap. In this context, the entry into force of the law on foreigners and international protection in April 2014 and the adoption of the regulation granting temporary protection to refugees in October 2014 represent significant progress in the area of migration and asylum. While regretting the unilateral statement made by Turkey in this regard, the Council expects full and effective implementation by Turkey of both the readmission agreement and the visa roadmap vis-à-vis all EU Member States, including non-discriminatory visa-free access to the Turkish territory for the citizens of all EU Member States. Adequate implementation by Turkey of existing bilateral readmission agreements and readmission provisions contained in similar agreements between Turkey and EU Member States remains a priority. Cooperation between Turkey and all EU Member States, aiming in particular at reinforcing the management of the common borders with all EU Member States, needs to be increased.

19. The Council urges Turkey to work on reforms which should provide for adequate checks and balances fully guaranteeing freedom, including freedom of thought, expression and of the media, democracy, equality, the rule of law and respect for human rights, including rights of women, children and persons belonging to minorities, freedom of religion and property rights, as well as enhance implementation of all the judgments of the European Court of Human Rights. The Council recalls that under Article 46 of the European Convention of Human Rights, the contracting parties undertake to abide by the final judgments of the Court in any case to which they are parties. Legislation on the right to association and the right to assembly, as well as on intervention by law enforcement officers, should be brought in line with European standards. The Council remains concerned at the undue interference by the executive in the judiciary, frequent changes to key legislation without due consultation of stakeholders, and restrictions on access to information. In order to address all these issues, the Council considers that stepping up cooperation and strengthening common activities in the area of rule of law and fundamental rights will bring Turkey closer to the EU and speed up work on possible future discussions in these key areas.
20. The Council regrets that the response by the government to the alleged cases of corruption in December 2013 cast serious doubts over the independence and impartiality of the judiciary, and demonstrated an increasing intolerance of political opposition, public protest and critical media. In this regard, recent police raids and the detention of a number of journalists and media representatives in Turkey call into question the respect for freedom of the media, which is a core principle of democracy. The Council recalls that progress in accession negotiations depends on respecting rule of law and fundamental rights. The Council emphasises the important role of the Constitutional Court and takes positive note of the growing and active civil society in Turkey, which should be further supported and encouraged as a legitimate stakeholder.
21. The Council recalls that Turkey is an important trading partner for the EU and contributes to EU competitiveness through the Customs Union. The Council looks forward to discussions with the Commission on the Customs Union, with a view to future proposals aimed at realising its full potential, also in light of the publication of the World Bank study completed in 2014. Given the strong economic links between Turkey and the EU, the Council calls for the development of a high level economic dialogue. Progress under chapter 17 (Economic and monetary policy) would in due course further support such dialogue and encourage alignment with the *acquis*. The Council also calls for the further strengthening of EU-Turkey energy cooperation with the aim of facilitating the interconnection and integration of energy markets, in line with international law.
22. In line with the Negotiating Framework and previous European Council and Council conclusions, the Council reiterates that Turkey needs to commit itself unequivocally to good neighbourly relations and to the peaceful settlement of disputes in accordance with the United Nations Charter, having recourse, if necessary, to the International Court of Justice. In this context, the Union expresses once again serious concern, and urges Turkey to avoid any kind of threat or action directed against a Member State, or source of friction or actions, which damage good neighbourly relations and the peaceful settlement of disputes. Moreover, the EU stresses again all the sovereign rights of EU Member States. This includes, *inter alia*, the right to enter into bilateral agreements and to explore and exploit natural resources in accordance with the EU *acquis* and international law, including the UN Convention on the Law of the Sea and also stresses the need to respect the sovereignty of Member States over their territorial sea and airspace. The Council recalls that the European Council, in its conclusions of 24 October 2014, expressed serious concern about the renewed tensions in the Eastern Mediterranean and urged Turkey to show restraint and to respect Cyprus' sovereignty over its territorial sea and Cyprus' sovereign rights in its exclusive economic zone.

23. Recalling its conclusions of 11 December 2006 and the declaration of 21 September 2005, the Council notes with deep regret that Turkey, despite repeated calls, continues refusing to fulfil its obligation of full, non-discriminatory implementation of the Additional Protocol to the Association Agreement towards all Member States, the fulfilment of which could provide a significant boost to the negotiation process. In the absence of progress on this issue, the Council will maintain its measures from 2006, which will have a continuous effect on the overall progress of the negotiations. Furthermore, Turkey has regrettably still not made progress towards the necessary normalisation of its relations with the Republic of Cyprus. The Council reiterates that recognition of all Member States is a necessary component of the accession process. The Council invites the Commission to continue to monitor closely and specifically report on all issues covered by the declaration of 21 September 2005 in its forthcoming annual report. On this basis, the Council will continue to closely follow and review progress made, in accordance with its relevant conclusions. The Council reiterates its call for progress without any further delay.
24. The Council welcomes the engagement by the parties to the settlement of the Cyprus problem, as demonstrated in the joint declaration of 11 February 2014. As emphasised by the Negotiating Framework, the Council expects Turkey to actively support the negotiations aimed at a fair, comprehensive and viable settlement of the Cyprus problem within the UN framework, in accordance with the relevant UN Security Council resolutions and in line with the principles on which the Union is founded. Turkey's commitment and contribution in concrete terms to such a comprehensive settlement is crucial. Under the current circumstances, the Council considers it more important than ever to ensure a positive climate so that negotiations for a comprehensive Cyprus' settlement can resume.

MONTENEGRO

25. The Council welcomes the progress made in the accession negotiations with Montenegro in the past year, including completion of the extensive screening phase and the beginning of the implementation of the new approach, following the opening of negotiations on the chapters Judiciary and Fundamental Rights and Justice, Freedom and Security.
26. The Council welcomes the progress Montenegro has made with regard to implementation of reforms aimed to ensure the independence and increased efficiency of the judiciary, as well as the recent appointment of the new Supreme State Prosecutor, and the strengthening of the legislative framework for the protection of fundamental rights, including the law on the Ombudsman. The Council notes with satisfaction Montenegro's work on a number of issues identified in the progress report and, in particular, the recent adoption of several important measures in the area of prevention of corruption. Montenegro has also continued to implement its obligations under the Stabilisation and Association Agreement, and to play an active role in the region. The Council welcomes Montenegro's continued involvement in further developing regional cooperation, as well as its full alignment with the EU's Common Foreign and Security Policy.
27. Montenegro is now entering a phase when strong political commitment is required in order to deliver further tangible and lasting results. The Council will continue to monitor closely the progress in chapters 23 and 24 which will determine the overall pace of the negotiations as foreseen in the Negotiating Framework.

28. The Council stresses that a number of shortcomings identified in the Commission's Progress Report of 8 October 2014 should be addressed in a decisive and effective way. In particular, progress in the area of judiciary and fundamental rights has been uneven. Montenegro needs to further intensify its efforts with regard to legislative reforms and their effective implementation: the interim benchmarks for chapters 23 and 24 should continue to provide clear guidance for future reforms. Particular attention should be given to making up for delays which have occurred, and to further developing a solid track record in the area of rule of law, including with respect to the fight against corruption, notably at high level. While welcoming the political commitment to the reform process by the Montenegrin government, further efforts are needed to guarantee freedom of expression and of the media. Moreover, constructive political dialogue between all political parties in Parliament is important, also in order to ensure citizens' trust in the electoral process and in state institutions. Strengthening administrative capacities on EU-integration issues will be essential to maintain a positive momentum on the EU path. Increasing professionalism, transparency and tackling politicisation in the public administration also require particular attention. Montenegro should continue to pursue economic reform, notably tackling high unemployment and improving the business environment, while implementing fiscal consolidation measures.
29. The Council looks forward to the next meeting of the Accession Conference on 16 December 2014.

SERBIA

30. The Council welcomes the launch of accession negotiations with Serbia on 21 January 2014, and the on-going process of analytical examination of the EU *acquis* (screening). In this regard, the Council welcomes the high level of preparedness and engagement demonstrated so far by the Serbian Government in the process. In line with the new approach, opening benchmarks have been set under chapters 23 (Judiciary and Fundamental rights) and 24 (Justice, Freedom and Security) requiring Serbia to present comprehensive action plans, in line with the agreed recommendations. The Council positively notes that these chapters are being addressed early in the negotiations and that progress under these chapters will need to be made in parallel with progress in negotiations overall.
31. The Council welcomes the progress made by Serbia in the past year, including in public administration reform, judicial reform and the fight against corruption and organised crime. Serbia actively participated in regional law enforcement cooperation, which led to effective results in the fight against organised crime. The Council notes with satisfaction Serbia's ambitious programme of economic and structural reforms and its active involvement in further developing regional cooperation, including to promote economic development and law enforcement in the region.
32. The Council encourages Serbia to further intensify its reform process. In particular, continued strong efforts are needed to ensure an effective, independent judiciary and to build up a track record in the fight against corruption and organised crime. Particular attention needs to be paid to the full respect of fundamental rights, including protection of the most vulnerable groups, particularly the Roma, as well as to the effective implementation of legislation on the protection of minorities, the non-discriminatory treatment of national minorities throughout Serbia, including in the areas of education, use of minority languages, access to media and religious services in minority languages, tackling discrimination on the basis of sexual orientation or gender identity, and further improving the business environment and the investment climate. There are concerns about deteriorating conditions for the full exercise of freedom of expression. Attention should also be paid to implementing the public administration reform and to realising the economic and structural reforms to restore fiscal sustainability and ultimately support growth and employment. Serbia needs to proactively encourage the inclusiveness and transparency of the accession process.

33. Serbia needs to maintain an active and constructive engagement in the normalisation process with Kosovo, which has seen significant progress. The Council will continue to monitor closely Serbia's continued engagement towards visible and sustainable progress in the normalisation of relations with Kosovo, including the implementation in good faith of all agreements reached so far, so that Serbia and Kosovo can continue on their respective European paths, while avoiding that either can block the other in these efforts and with the prospect of both being able to fully exercise their rights and fulfil their responsibilities. The Council recalls that progress in the process of normalising relations with Kosovo under chapter 35 needs to be made in parallel with progress in negotiations overall. Chapter 35 should be tackled early in and throughout the negotiations. This will provide a solid framework for monitoring implementation of agreements reached.
34. The Council calls on Serbia to progressively align with EU Common Foreign and Security Policy in line with the Negotiating Framework. Serbia should continue to cooperate effectively with EULEX and contribute actively to a full and unhindered execution by EULEX of its mandate and in particular in judicial proceedings. The Council welcomes Serbia's continued constructive engagement in regional cooperation and in strengthening relations with its neighbours.
35. The Council looks forward to the next meeting of the Accession Conference and to the opening of the first negotiating chapters with Serbia.

ICELAND

36. The Council recalls that following a decision of the Icelandic Government, accession negotiations have been on hold since May 2013. The Council notes that Iceland remains an important partner for the EU through its participation in the European Economic Area agreement, its membership of the Schengen area as well as through co-operation on Arctic matters. The Council stands ready to continue the negotiating process in line with the requirements of the Negotiating Framework, should Iceland decide to resume the negotiations.
37. The Council also recalls its conclusions on EU relations with Non-EU Western European countries of 16 December 2014, which cover the EU's bilateral relations with Iceland.

STABILISATION AND ASSOCIATION PROCESS

FORMER YUGOSLAV REPUBLIC OF MACEDONIA

38. The Council welcomes the fact that the EU agenda remains the country's strategic priority. The country has achieved a high level of alignment with the legislative *acquis*. However, there are serious concerns about increasing politicisation of state institutions and growing shortcomings with regard to the independence of the judiciary and media freedoms. Failure to deliver on these issues has damaged the sustainability of reforms. The Council urges the authorities to take decisive action to rapidly address these concerns.
39. Recurrent political crises between government and opposition parties have showed the need for more constructive and inclusive political dialogue. It is the responsibility of both government and opposition to ensure that political debate takes place primarily in parliament and to contribute to creating the conditions for its proper functioning. As regards the inter-ethnic situation, greater trust between the communities needs to be built. The review of the Ohrid Framework Agreement needs to be completed rapidly and its recommendations implemented.
40. As set out in the European Council conclusions of June 2008 and the General Affairs and External Relations Council conclusions of December 2008, maintaining good neighbourly relations, including a negotiated and mutually accepted solution to the name issue, under the auspices of the UN, remains essential. There is a need to bring the longstanding discussions on the name issue to a definitive conclusion without delay. Resolute action is required. In light of the overall importance of maintaining good neighbourly relations, the Council notes the continued high level contacts between the former Yugoslav Republic of Macedonia and Bulgaria and looks forward to their translation into concrete actions and results.

41. The Council broadly shares the Commission's assessment that the political criteria continue to be sufficiently met on the basis of cumulative progress achieved and takes note of the Commission's recommendation that accession negotiations be opened with the former Yugoslav Republic of Macedonia. With a view to a possible decision of the European Council to open accession negotiations with the former Yugoslav Republic of Macedonia, the Council will revert to the issue anytime in 2015, on the basis of an update by the Commission on implementation of reforms, including in the context of the High Level Accession Dialogue, and on tangible steps taken to promote good neighbourly relations and to reach a negotiated and mutually accepted solution to the name issue.

ALBANIA

42. The Council welcomes the progress made by Albania, which led to the granting of candidate status in June 2014. It notes the positive steps taken in the fight against organised crime, with an intensification of law enforcement activities, notably on drug seizures and towards the reform of the judiciary.
43. However, the Council notes that important challenges lie ahead. It also notes, in line with its 5 December 2011 conclusions, that the opening of accession negotiations will be considered by the European Council, in line with established practice, once the Commission has assessed that Albania has achieved the necessary degree of compliance with the membership criteria. Further to the Commission's 2010 Opinion and recalling the conditions set out in its 11 December 2012 and 24 June 2014 conclusions, the Council reiterates that Albania will need to meet the key priorities for the opening of accession negotiations.
44. The Council invites Albania to intensify its reform efforts and act decisively to address these key priorities. The Council underlines in particular the need for Albania to: continue the reform of the public administration with a view to enhancing its professionalism and depoliticisation; pursue a comprehensive reform of the judiciary to reinforce its independence, efficiency and accountability through an inclusive process and in close consultation with the Venice Commission; intensify its anti-corruption efforts and take further determined steps in the fight against organised crime, including drug cultivation and trafficking, with a view to establishing a solid track record of proactive investigations, prosecutions and convictions in both areas; and take effective legislative and policy measures to reinforce the protection of human rights and anti-discrimination policies, including the equal treatment of all minorities and access to rights for persons belonging to them, as well as to implement property rights. The Council calls on Albania to urgently address the identified shortcomings as regards freedom of expression and media, particularly to strengthen the independence of the media regulatory authority and the public service broadcaster. The Council also calls on the authorities to ensure sustained implementation of reforms already undertaken.
45. Albania should continue economic reforms aimed at increasing competitiveness, improving the business and investment environment, achieving fiscal consolidation and addressing high unemployment and the high level of informality in the economy.
46. The Council underlines that constructive and sustainable dialogue between the government and the opposition on EU-related reforms will be vital for progress towards the EU. It is the shared responsibility of both government and opposition to ensure that political debate takes place primarily in parliament and to contribute to creating the conditions for its proper functioning. The Council urges Albania to move forward with its plans to establish a National Council for European Integration, uniting all stakeholders, which should further help to enhance the inclusiveness of the reform process. The Council recalls its invitation to the Commission as set out in its 24 June 2014 conclusions to intensify its support, monitoring and assessment of Albania's reform process, including in the context of the high level dialogue on the key priorities and through close interaction with the Member States.

47. The Council welcomes Albania's constructive engagement in regional cooperation and good neighbourly relations, which remain essential, as well as its full alignment with the EU's Common Foreign and Security Policy.

BOSNIA AND HERZEGOVINA

48. The Council expresses serious concern that the country remains at a standstill in its EU integration process due to a lack of collective political will on the part of the political leaders to address the reforms necessary for progress on the EU path. The Council therefore welcomes the renewed EU approach as set out in its conclusions of 15 December 2014.
49. Moreover, taking into account the fragility of the socio-economic situation, which has been exacerbated by the severe floods which hit the country in May, the Council welcomes the initiatives of the Commission to focus on reforms and issues of direct concern to citizens. The Council welcomes the wider remit of the EU-Bosnia and Herzegovina Structured Dialogue on Justice covering additional rule of law matters, in particular the fight against corruption, the setting up of a joint EU-Bosnia and Herzegovina Working Group to accelerate the implementation of EU funded projects and the development of a 'Compact for Growth and Jobs' together with key actors including international financial institutions.
50. The Council notes that the establishment of an effective coordination mechanism on EU issues would improve the country's interaction with the EU, including with respect to IPA funding. Progress in this regard would open the way for Bosnia and Herzegovina to benefit fully from the funding available.
51. The Council calls on Bosnia and Herzegovina to revise its position urgently so that an adaptation of the Interim Agreement/Stabilisation and Association Agreement can be finalised as soon as possible based on Bosnia and Herzegovina's traditional trade with Croatia.
52. The Council calls on Bosnia and Herzegovina to act swiftly and with determination on the Council conclusions of 15 December 2014.

KOSOVO

53. The Council notes the initialling in July of a Stabilisation and Association Agreement (SAA) with Kosovo. This EU-only agreement would be the first comprehensive agreement between the EU and Kosovo. The Council takes note of the intention of the Commission to issue the proposals for its signature and conclusion as soon as possible, without prejudice to Member States' positions on status.
54. The Council welcomes the end of the protracted political stalemate in Kosovo and the formation of the new institutions on 9 December 2014. It calls upon the new authorities in Pristina to engage swiftly on the reforms agenda as well as on the high level Dialogue with Belgrade.
55. The Council calls on Kosovo to focus on the implementation of the comprehensive reforms necessary to meet its obligations under the proposed SAA. Kosovo faces numerous challenges, which will require strong political will. Particular attention should be paid to improving the rule of law, including judicial independence, and to intensifying the fight against organised crime and corruption. Welcoming Kosovo's progress thus far, the Council recalls that Kosovo needs to address shortcomings raised in the visa dialogue, including mitigating the security and migratory risks of potential visa liberalisation. The need for structural economic reforms addressing the high level of unemployment is becoming urgent. Important reforms such as electoral reform and public administration reforms need to be undertaken as a priority and the protection of minorities addressed.

56. Kosovo needs to maintain an active and constructive engagement in the normalisation process with Serbia, which has seen significant progress. The Council will continue to monitor closely Kosovo's continued engagement towards visible and sustainable progress in the normalisation of relations with Serbia, including the implementation in good faith of all agreements reached so far, so that Kosovo and Serbia can continue on their respective European paths, while avoiding that either can block the other in these efforts and with the prospect of both being able to fully exercise their rights and fulfil their responsibilities. The Council recalls that progress in the process of normalisation of relations with Serbia is an essential principle of the proposed Stabilisation and Association Agreement and shall underpin the development of relations and cooperation between the EU and Kosovo.
 57. Kosovo should continue to cooperate closely and effectively with EULEX and contribute actively to the full and unhindered execution by EULEX of its renewed mandate. The Council calls for Kosovo, as a matter of priority, to implement the political commitment to establish the specialist court to hear cases arising out of the investigation led by the Special Investigative Task Force by adopting all the necessary legal changes."
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