

Legal Reform for Economic Development in the Western Balkans

Background

As the countries of South-East Europe are looking to join the European Union (EU) and gain membership in international organisations, they face the task of harmonising their existing legal systems with EU law.

In response to demand from partner countries, the regional project “Legal Reform for Economic Development in the Western Balkans” project has been supporting the process of rapprochement with the EU since 2007, focusing in particular on civil and commercial law and on modernising the way in which justice is administered. The project works with partner countries to align legal conditions with the *acquis communautaire* (accumulated body of European Union law and obligations). This comprises all binding rights and obligations for all EU member states. Reform work focuses on the issues of justice and fundamental rights as well as justice, freedom, and security. Rule of law is also essential for the countries’ sustainable economic growth. The Western Balkan states have set themselves the goal of developing a regional economic area. This requires an effective implementation of legal frameworks.

The regional project “Legal Reform for Economic Development in the Western Balkans” concentrates its work on fostering regional cooperation and sharing expertise.

Goal

The capacities of the Western Balkans countries have been strengthened regarding the implementation of EU relevant legal framework for the promotion of economic development.

Project name	Legal Reform for Economic Development in the Western Balkans
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Countries	EU Accession countries in South-East Europe
Lead executing agency	Regional Cooperation Council (RCC)
Duration	2007 – 2024
Project value	22.85 million Euros

Our approach

All the partner countries supported by the regional project face similar challenges, which can be solved more successfully by working together. Regional exchange is therefore the essential element in successful rapprochement with the European Union. To achieve this goal the project supports state institutions and civil society in these partner countries in working together within certain areas to adapt their systems of law and justice to the requirements of the EU’s *acquis*, in particular with the aim of sustainable economic development. With these objectives in sight, the regional project promotes:

- the development and support of regional platforms and networks;
- the exchange of experts among the partner countries;
- harmonisation of laws in the region;
- networking between partner institutions and international sectoral organisations.



Left to right :

Reforms of law and justice put major challenges before the countries of the region on their way to EU accession.

Regional cooperation and exchange are essential elements for EU rapprochement.

The project involves all of the cooperation countries in South-East Europe in achieving progress in the following main measures:

- **Economic Empowerment of Women:** The measure supports women by improving their legal position in economic transactions. This is done by expanding the range of legal assistance for self-employed women. In addition, the disadvantage of women in the area of land ownership is made visible through gender-aggregated statistics of land ownership, and the countries are made aware of the reporting on the SDG indicators 5.a.1. and 5.a.2 of the 2030 Agenda. Notary chambers and land registration authorities are supported in the implementation of the existing legal framework.
- **Strengthening Prevention and Management in Investor-State-Disputes:** Part of this measure is to facilitate regional exchange and reforms related to the strengthening of relevant structures and communication for the settlement of disputes between investors and the state. The promotion of prevention and mediation are at the centre of the cooperation. In addition, regional moot competitions and the participation of partners in discussions at international level are supported.
- **Cross-border Cooperation in Civil and Commercial Matters:** The measure aims to improve the conditions for improving judicial cooperation for cross-border legal transactions in the Western Balkans. Basis therefore is the mobilisation of expertise available in the Western Balkan countries. In addition, cooperation with international instruments of cross-border cooperation, such as the Hague Conference on Private International Law, will be promoted.

Results

- The project supported the establishment of the South East European Law School Network (SEELS), which comprises 13 law faculties. Not only has this enhanced quality standards for education and professional training in law, it has also led to the establishment of regional teaching and research programmes.
- With the support of the project, the countries regularly attend meetings of the United Nations Commission on International Trade Law (UNCITRAL) and have submitted several joint statements for the region. In addition, regional model clauses for the settlement of investment disputes have been developed, which can be used by partner countries for bilateral trade agreements.
- Together with the Hague Conference on Private International Law (HCCH), the *2019 Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Commercial Matters* was introduced to the partner countries, and three partner countries are now discussing ratification of the Convention.
- Together with the Regional Cooperation Council (RCC), the project supported the network of law academies in the region, organised training courses for judges and created a regional database of legal experts.
- Legislators and notariats in the Western Balkan countries are better able to take gender aspects into account in the area of "women and land rights". Legislative changes have been initiated and implemented by comparing and analysing the legal situation in the participating partner countries, and guidelines promoting the registration of women as owners have been adopted. The share of female (co-)owners has increased in at least 3 partner countries since 2013.

The United Nations Sustainable Development Goals (SDGs) that the Project focuses on in its implementation are:



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