

Only a Dialogue Can Move us Forward

Switzerland is concerned about the recent developments related to the dialogue between Belgrade and Pristina and is encouraging parties to talk to each other. Such circumstances are distracting Serbia from Improving the rule of law which is a top priority for the country's future



INTERVIEW

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Swiss Ambassador to Serbia

The rule of law and the preservation of all fundamental freedoms are essential elements contributing to the social cohesion which the government should always have in mind

In a particularly challenging phase of the dialogue between Belgrade and Pristina, we spoke with the H.E. Philippe Gérald Guex, Swiss Ambassador to Serbia, about the possible solutions to bring confidence and trust back on track in this dialogue. It will allow Serbia to concentrate on the EU integration process where important steps are still missing.

What is your current view of the Belgrade-Pristina dialogue? What kind of progress should be made?

— It is obvious that the current phase of the dialogue between Belgrade and Pristina is very challenging for both sides. Switzerland is concerned about the recent developments, such as the violation of CEFTA agreement by Pristina, and their impact on the people. In such difficult context, it is essential to keep all channels of communication opened and to avoid further negative rhetoric and acts, undermining the agreements signed in Brussels. Switzerland is not only encouraging the parties to talk to each other, we are also actively pursuing our own initiative of dialogue that brings together various players from both sides, from civil society to academia, journalists, parliamentarians and politicians (www.cigonline.net). It is essential to bring confidence and trust back. In Switzerland, we strongly believe in the merits of social dialogue

and that no solution should be just imposed on people.

How much is this situation a burden to the process of European integration of Serbia?

— The main challenge is that these negative developments between Belgrade and Pristina are distracting the Serbian government and the Serbian parliament from other important tasks. When we think about the European integration of Serbia, there is a strong view shared by many in the international community that improving the rule of law is a top priority for the country's future. Rule of law is crucial not only for the very basic functioning of the judicial system, but because for instance providing legal security is the best way to attract more investors in Serbia. We therefore encourage the government and the parliament to continue to work on the judicial aspect of the constitutional reform and to do it in the best interest of the people living in Serbia.

Excluding the chapter 35, what is your assessment of Serbia's progress in this process?

— If we take a wider view over the last few years, it is obvious that Serbia has made progress in various sectors that are part of its European integration. The progress cannot be measured only by the opening of new chapters of the

EU acquis, but more broadly by the socio-economic transformation that is taking place in the society. When one sees for instance the dynamism of the IT sector in Serbia and the prospects linked to digitalization, there is undoubtedly a positive development happening. However all sectors are equally important, from the agriculture to the industry and the various services, including tourism, etc., so that no one is left behind. It is particularly important for Serbia to concentrate as well on the development of its municipalities, which will have to absorb most part of the EU funds in the future. Moreover towns and municipalities will have to implement 70% of all EU laws and regulations. This is an area where Switzerland is for instance providing support, helping to build the capacity of municipalities to deliver good services to citizens.

What issues should be a priority for the Serbian government in 2019?

— Here too we have to take into consideration the bigger picture. What is one of the biggest challenges that Serbia is currently facing? The fact that part of its population is leaving the country to look for better opportunities abroad, particularly young people, and that at the same time the birth rate in Serbia, as in other parts of Europe, is very low. The Serbian government is of course aware of this situation. It requires an

overall effort of all branches of the government to continue to reform all sectors of the economy, to promote innovation, to invest at the local level, in order to make sure that the population feels that the government is improving the social and professional conditions. I feel sorry for those young men and women who tell us that they intend to leave the country because they or their families do not have the right connexions to find a proper job. There have been some encouraging results in the overall economy but these efforts should be strengthened. And let me repeat: the rule of law and the preservation of all fundamental freedoms are essential elements contributing to the social cohesion which the government should always have in mind.

In the light of its development assistance to Serbia, which reforms in our country does Switzerland pay the biggest attention to?

er relations of citizens and their local governments for a more inclusive development.

Our focus is on less developed regions and a more balanced development of cities and municipalities across the country for better perspectives for all citizens. This is why Switzerland supports the transfer of tasks to the local level and the necessary capacity building. It is at the local level where concrete results can be achieved, furthermore most necessary reforms in view of Serbian's EU accession have to be dealt with at local level.

As a sign of our commitment EUR 90 Million of support are foreseen for the next four years, which is an increase of 10% in comparison to the previous strategy.

One of the areas in which you have been providing a continuous help is facilitating innovation and formation of a start-up community in Serbia.



— First of all let me tell you that Switzerland is among the four largest bilateral donors in Serbia and I need to add, that we have been the only donor continuously present without interruption since 1991. We provide support where it is most needed. The Swiss Cooperation Strategy for the period 2018-2021 is very much in line with the Government's priorities towards European integration and fosters a knowledge-based economy, promotion of employability, financial stability, digitalization and clos-

Are you satisfied with the results of these investments?

— The Serbian IT sector has a great potential and innovation and digitalization are priorities of Serbia. As one of the European leaders, Switzerland strongly supports this sector in Serbia because it significantly enhances Serbia's competitiveness, increases export of high-tech products and services, and prevent young educated people to leave the country. We have supported the establishment and development of

the Science and Technology Park Belgrade to Serbia with EUR 1.3 Million so far. The Park connects science with the economy. More importantly, it provides opportunities for young IT experts to develop their innovative projects into start-ups and place their products and services on the domestic and international market.

With the model that has been developed in the Techno Park, concrete and visible results were achieved. They are impressive – since 2015, more than 600 young people were employed in the Park, while its companies created 29 million EUR of exports until now.

In the coming period, we want to explore possibilities to support the intention of the Government of Serbia to expand this model in other locations around the country. In many cities in Serbia, there is a strong potential for collaboration between the scientific community and the economy – we remain committed to develop this further.

How much did the structure of the Serbian economy change thanks to the reforms? Are there now more opportunities for improving the links between the two economies?

— The shock of the 2008 financial crisis, which had many repercussions in Serbia and in the region, is still present, although recently there were encouraging signs in terms of the return of growth. The Serbian economy cannot avoid the impact of these global trends. However Serbia can play on its comparative advantages, such as the already mentioned IT sector as well as the agriculture and food processing for instance. The reforms are going to bring more transparency to the economic process and hopefully reduce the so-called grey economy, which is very damaging for Serbia.

There are many areas in which Switzerland and Serbia can further develop their economic relations, which are already good but with great potential. Several large Swiss companies are already present in Serbia. Many small and medium size investors are also interested to invest in many sectors, such as wood industry for instance. However they need to be able to find a stable business environment. I would also finally mention the incredible strength of the Serbian community living in Switzerland, which create a unique situation that can also further develop economic bonds. At the end, as we have seen with all the questions you asked, it is about the interest of the people.

SUPPORT

IT SECTOR

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