

JOINT COMMUNIQUE

During their meeting in Athens on XX December 2001, Prime Ministers A.Georgievski and K.Simitis discussed in depth the state and prospects of economic, defence, scientific-technical and other co-operation between their two countries, both bilateral and within the framework of EU policies and international organisations, and set out objectives for their further development.

-I-

The two Prime Ministers share the view that a European prospect for the whole region of South-Eastern Europe, leading to full integration into the Euro-Atlantic structures, is a key to peace, stability, development and co-operation in this area.

In this respect, Mr.Simitis declared his country fully supported the road to Europe of the Party of the Second Part of the Interim Accord of 13 September 1995 and will assist the latter in its pursuance of this path within the framework of the EU Stabilisation and Association process and the Zagreb summit declaration. In particular, Mr.Simitis,

- Expressed his satisfaction over the conclusion of the Stabilisation and Association Agreement of 9 April 2001, and considered that the conditions are now emerging for its rapid entry into force and implementation.
- Declared his country's support for the financial assistance extended to the Party of the Second Part through the CARDS and other Community Programmes, and would explore, within the EU framework, the possibilities of an increase in such assistance, in particular with a view to strengthening support for infrastructure development and cross-border co-operation.
- Supported the efforts of the Party of the Second Part to satisfy the requirements that would allow the European Union to abolish the visa regime for entry of the citizens of the said Party into the Schengen zone, following the examples of Bulgaria, Romania and Croatia.
- Declared his country's willingness to assist the efforts of the Party of the Second Part for rapprochement to the European Union, through bilateral technical assistance in institution building and harmonisation of legislation. Such assistance would be complementary to "twinning" programmes and other Community or bilateral assistance.

The two Prime Ministers agreed to consult for the signature between their two countries of a protocol for the Integration into the Euro-Atlantic Structures.

-II-

The two Prime Ministers agreed that, following the successful conclusion of the Constitutional Reform, and in the context of the full implementation of the Ohrid Framework Agreement, the issue of international economic assistance to the Party of the Second Part was of crucial importance. Such assistance should aim to overcome

the consequences of the recent crisis, and to assist that Party's economy in catching up with the European mainstream. To this end, Mr.Simitis:

- Declared that his country supported the holding of a Donors' Conference, co-chaired by the European Commission and the World Bank, by the end of the year.
- Reiterated his country's decision to contribute with a substantial package of bilateral aid, drawn from its National Plan for the Economic Reconstruction of the Balkans, and declared it was envisaged to increase the sum ear-marked for the Party of the Second Part. This assistance would finance actions and projects in support of the country's economic development, for enhancing its European course and for deepening the links between the two countries. Particular emphasis would be placed on cross-border co-operation. Indicatively, this assistance could finance actions and projects in the areas of transport, environment, energy, health, and support to business. Mr.Simitis informed Mr.Georgievski that the administrative procedures which would allow the implementation of the National Plan for the Economic Reconstruction of the Balkans to start as soon as possible were presently being accelerated.

Mr.Georgievski stressed the importance of economic reconstruction and development for the stability of his country and underlined the urgency of international assistance. He thanked Mr.Simitis for the assistance already offered.

-III-

The two Prime Ministers agreed on the importance of co-operation between their two countries in matters of defence and agreed to develop this co-operation, in respect of their international obligations and as a contribution to the eventual integration of the Party of the Second Part into NATO structures. To this end, they drafted a document which will serve as a framework for further discussions in this area, in view of the conclusion of a defence co-operation agreement between the two countries. This document is annexed to the present communiqué.

-IV-

The two Prime Ministers agreed to encourage the dynamic development of their bilateral economic, scientific-technical and other co-operation in all fields of common interest, convinced that this will contribute to the economic development of both countries, including in particular the border regions, and will also serve the cause of friendship and good-neighbourliness between them, thus promoting peace and security in the area.

Co-operation between the two countries shall include, *inter alia*, trade promotion, investment, industry, transport (including transit), environment, energy, tourism, the insurance sector, agriculture, new technologies, fight against organized crime, terrorism and illegal trafficking of persons, narcotics and goods. The two Governments will encourage co-operation between scientific and research centres and institutes, as well as universities. They will also encourage contacts and co-operation

between representatives of civil society, Chambers of Commerce and other business associations, trade unions, municipal and regional authorities, and NGO's.

Particular emphasis and priority will be placed on issues affecting the border zones of the two countries or related to their geographic proximity: environmental and water management and tourism in the lakes of Doirani/Dojran and Prespa, integral development of the Axios/Vardar basin, road, railway and energy network interconnections between the two countries, use of the port of Thessaloniki, border crossings, border formalities and control, and other measures facilitating cross-border co-operation.

In order to promote their multi-faceted bilateral co-operation, the two Prime Ministers agreed to fully implement agreements that are in force, and to accelerate procedures for the entry in force of agreements already signed but not yet ratified by them. They also agreed to explore the possibilities for concluding additional agreements that would reflect present conditions and the existing political will for development of co-operation. Such agreements could include a framework agreement on economic and scientific-technical co-operation, the agreement on the Promotion and Reciprocal Protection of Investments, annexed to the Agreed Minutes of 18 March 1997, an agreement on avoidance of double taxation, a new agreement on questions of hydro-economy, replacing the one of 1959, and reflecting the new European and international trends, as stipulated in the Agreed Minutes of 10 September 1997, and possible new agreements in the area of transport. In the latter case, the fact that the Party of Second Part is a land-locked state should be duly taken account of, in accordance with Article 13 of the Interim Accord of 13 September 1995

The two Prime Ministers agreed to establish a Joint Governmental Commission for Co-operation, at Ministerial level. The Commission will meet in principle annually, alternatively in Athens and in Skopje. It will examine the state of relations, supervise the implementation of existing agreements and decisions, including the assistance extended by the Party of the First Part, and discuss the further development of co-operation. On the occasion of its first meeting, which should take place in January 2002, the commission will discuss the implementation of the decisions included in the present communiqué, and will examine the possibility of further developing co-operation, including in other fields. The Commission may establish working groups of experts for that purpose.

Athens, XX December 2001