



**COUNCIL OF
THE EUROPEAN UNION**



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**SIGNATURE OF STABILISATION AND ASSOCIATION
AGREEMENT BETWEEN
THE EU AND THE REPUBLIC OF ALBANIA**

At a ceremony held in Luxembourg on 12 June 2006 the Stabilisation and Association Agreement between the European Community and its Member States, of the one part, and the Republic of Albania, of the other part, was signed

for the European Union by:

- Ms Ursula PLASSNIK, Minister for Foreign Affairs of Austria, President of the Council,
- Mr Olli REHN, Member of the European Commission,

and, on behalf of the Member States, the Foreign Ministers or their representatives,

P R E S S

for the Republic of Albania by:

– Mr Sali BERISHA, Prime Minister.

On the same occasion, an Interim Agreement on trade and trade-related matters was also signed.

The Stabilisation and Association Agreement establishes a comprehensive contractual framework between the EU and Albania. As such, it represents an important step on Albania's path towards the EU. Albania's relations with the EU have so far been covered by the Trade, Commercial and Economic Co-operation Agreement which was signed in May 1992 and entered into force on 4 December 1992.

The Stabilisation and Association Agreement with Albania is the third to be signed with a country in the Western Balkans region. Similar have been signed and have entered into force with the former Yugoslav Republic of Macedonia (signed on 9 April 2001 and in force 1 April 2004) and with Croatia (signed on 29 October 2001 and in force 1 February 2005).

Pending the ratification of the Stabilisation and Association Agreement, the Interim Agreement will allow the trade and trade-related provisions of the Agreement to enter into force as soon as possible.

The Stabilisation and Association Agreement with Albania was modelled on the agreements with the former Yugoslav Republic of Macedonia and Croatia, apart from a number of provisions designed to reflect the specific situation in Albania. The agreement focuses primarily on the following points:

- provision for political dialogue with Albania;
- provisions on enhanced regional co-operation, including the perspective of establishing free trade areas between the countries of the region;
- the perspective of the establishment of a free-trade area between the EU and Albania within ten years of the entry into force of the Agreement;
- provisions on the movement of workers, freedom of establishment, supply of services, current payments and movement of capital;

- the commitment by Albania to approximate its legislation to that of the EU, notably in key areas of the internal market;
- provisions on co-operation with Albania in a wide range of fields, including justice, freedom and security.
- provision for the establishment of a Stabilisation and Association Council which supervises the implementation of the Agreement, of a Stabilisation and Association Committee and a Stabilisation and Association Parliamentary Committee.

The Interim Agreement and, subsequently, the Stabilisation and Association Agreement will replace the Trade, Commercial and Economic Co-operation Agreement between the European Community and Albania. The more favourable trade concessions granted by Council Regulation (EC) No 2007/2000 of September 2000 introducing exceptional trade measures for countries and territories participating in or linked to the European Union's Stabilisation and Association process will continue to apply, in parallel to the Interim Agreement and, subsequently, to the Stabilisation and Association Agreement.

Speech of Ursula Plassnik, President of the Council

It is a great pleasure to receive here today Dr Sali Berisha, Prime Minister of Albania, and his delegation for this signing ceremony of the Stabilisation and Association Agreement and the Interim Agreement with Albania. Let us recall at this occasion that the SAA was initialled in Tirana in February by Commissioner Rehn and Foreign Minister Mustafaj.

The signing today of these agreements is a significant milestone on Albania's road towards the European Union. Together with the other mechanisms of the Stabilisation and Association Process, the Agreements will establish a comprehensive framework for the further development of the relations between the EU and Albania.

Today, Albania becomes the third country (after the fYRoM and Croatia) with which the EU has signed this kind of agreements. A lot of work has been achieved by Albania since the negotiations first started in January 2003.

But it is with today's signing that the real work begins. Albania now enters into a more advanced phase in its relationship with the EU, which implies increased responsibilities.

The Agreements contain some 550 pages of detailed rules and Albania must now establish a sustained and effective track record in implementing them. In parallel, Albania should also lose no time to vigorously push ahead with the EU-reform process, in line with the priorities set out in the European Partnership, to progressively transform Albania to a modern European state.

These are formidable challenges. To be successful, all political forces in Albania should unify their efforts. In this regard, I welcome the participation here today of members of the opposition in the Albanian delegation.

At the informal EU-Western Balkans foreign ministers' meeting in Salzburg in March, the EU reiterated its support for the Thessaloniki agenda and reconfirmed that the future of the Western Balkans lies in the EU. This Agreement underlines Albania's prospect of integration with the European Union.

But it was also stressed that each country's progress towards the EU depends on its individual merits in meeting the EU's conditions. The EU will of course continue to stand ready to advise and assist you, but the bulk of the outstanding work can be done by Albania only. These agreements will provide you with the best possible framework for your endeavours in this regard.

Speech of Olli Rehn, Commissioner for Enlargement

Prime Minister, on the behalf of the European Commission I warmly congratulate Albania on today's signature of the Stabilisation and Association Agreement and its Interim Agreement. It marks the start of a new and critical phase on Albania's EU path. The SAA is the fruit of several years' negotiation. This is the first stepping stone towards the European Union. The SAA is enormously important for Albania's future and in particular for its EU perspective. It will foster mutually beneficial economic and political relations between Albania and the EU.

We welcome Albania's continued progress in the reforms including on fighting corruption and organised crime. Nonetheless Albania still faces difficult reform challenges. The Stabilisation and Association Agreement indeed provides a solid framework for Albania to address these challenges and for the EU to support it doing so.

A sustained record of successful implementation of the SAA is essential and critical before considering further formal steps towards the EU.

Dear Prime Minister, we now look to Albania to show determination in fulfilling the commitments it has made in the context of this Agreement.
