observers are campaigning to dismantle the Working Tables and keep only the Regional Table to support the players' field work.

Although it is true that the SPSEE seems to produce bureaucratic problems, this type of exercise remains a necessity. In fact, no country would agree to allocate major amounts to rebuild the region without retaining a right to review or exercise minimal control over the use of the funds.

The challenge of absorbing all the local players

If a regional stability pact is to be effective, it has to take into account the need for all local communities to be represented. The SPSEE lost effectiveness in its first year of operation because of the absence of the Federal Republic of Yugoslavia (FRY). The fact that all regional states are now participating in the organization might encourage the belief that regional cooperation would have no more problems. Nevertheless, people keep criticizing the SPSEE for not adequately reflecting local interests, given the lack of involvement in the process by regional partners. The rare contributions from SEE partners generally come from governments, since local NGOs and experts are not properly represented in this process.

## 3.2.3 Operational problems

The size of the amounts handled by the pact should not hide its actual shortage of resources. In view of the large numbers of other organizations working in the Balkans, very often funded by the same donors, the pact ends up competing, which prevents it from achieving its coordination objectives. The pact's structure gives its "coordinator" no real authority or capacity to decide about projects being piloted by the pact. Coordination is all the more difficult when a number of contributing states refuse to make necessary compromises about their prerogative to fund only projects they like. This problem of coordination stems in part from the pact's lack of political independence: like many international organizations, the pact finds it difficult to be more than its participants allow it to be.

## 3.3 Useful lessons for the CSP

Absolute condition: conflict resolution

The experience of conflict resolution in SEE is rich in lessons for the Caucasus. However, Kosovo may point to a solution for the Caucasus protagonists. Even though the break has been achieved and seems final between Serbia and Kosovo, the fact that the FRY is formally in charge of both territories still makes it possible to establish an administrative link between these two entities. This solution, halfway between independence and the absence of it, makes Kosovo's status *de facto* that of a federated state of the FRY. The existence of a state superstructure in the FRY, even though it seems increasingly to be but an empty shell,<sup>33</sup> makes maintaining the status quo seem possible. Although the parties are far from pleased with this arrangement, it still provides a solution everyone can live with, at least for the moment.

<sup>32</sup> Stability Pact – Its major Achievements: <a href="http://www.stabilitypact.org">http://www.stabilitypact.org</a>.

<sup>&</sup>lt;sup>33</sup> On March 14, 2002, the Yugoslav Republic dissolved itself to create the Republic of Serbia and Montenegro. In this new arrangement to give Montenegro more visibility, Kosovo's position remains just as ambiguous.