



BiEPAG

*Keeping the
Thessaloniki promise:*

HOW TO MAKE ENLARGEMENT WORK FOR ALL 20 YEARS LATER?

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Abstract

No Western Balkan country is close to membership: four are currently engaged in negotiations, one has (conditional) candidate status, and one has recently submitted a request for membership. Compared to the high hopes of 2003, this situation is deeply disappointing.

“The future of the Western Balkans is within the European Union” - thus reads the commitment the EU made to the European future of the Western Balkans two decades ago. These words were first included in the Thessaloniki declaration in June 2003, yet while the EU has never withdrawn this promise to the region, only Croatia has since become a member. At present, no other country is close to membership: four are currently engaged in negotiations, one has (conditional) candidate status, and one has recently submitted a request for membership. Compared to the high hopes of 2003, this situation is deeply disappointing.

However, Russia’s full-scale invasion of Ukraine has changed the geopolitical situation in Europe and globally. All of a sudden, after years during which the goal of European Union membership was referred to as “European perspective” so as to appear less definitive and less threatening to citizens of EU member states, the number of candidates and potential candidates to join the organisation rose from seven to ten. The enlargement process has not only been revived but has also gained a sense of renewed purpose and urgency. It is now crucial to make sure the process delivers for all countries involved - for those in the Western Balkans just as much as for the new candidates in Eastern Europe.

01. The long wait: How we got here

The failure of the Western Balkan states to make more progress towards EU membership after the Thessaloniki Summit¹ can be explained by a combination of internal and external factors. On the one hand, the region faced challenges stemming from its turbulent past, democratic vulnerabilities, and lacklustre reform processes, as well as from bilateral issues with EU member states. On the other hand, the two decades following the summit saw the EU confront the Eurozone and migration crises, Brexit, the Covid-19 pandemic, threats to the rule of law in some of its member states, and wars in its Eastern and Southern neighbourhoods. These crises shifted the EU's focus away from the Western Balkans, reducing the amount of time and resources devoted to the region.

The accession process thus lost momentum and hopes for membership were pushed ever further into the future.

While the EU was becoming increasingly distracted by other concerns, the Western Balkan states remained – save for occasional flare-ups – mostly stable throughout this period. Although the problems of the 1990s were never fully resolved, they were sufficiently contained to avoid threatening Europe's security and stability. This eliminated the sense of urgency associated with the region's integration into the EU. At the same time, many in the EU became convinced that the region was not ready for accession due to its dysfunctional politics, democratic backsliding, weak rule of law,² and inability (or unwillingness) to decisively address corruption and organised crime.

The accession process thus lost momentum and hopes for membership were pushed ever further into the future. This locked the EU and the region into a vicious circle of hypocrisy – the former pretending to be serious about enlargement and the latter pretending to be serious about reforms. The enlargement process, once seen as the EU's most important foreign policy instrument, effectively ground to a halt.³

¹ EU-Western Balkans Summit Thessaloniki Declaration, 21 June 2003, https://ec.europa.eu/commission/presscorner/detail/en/PRES_03_163

² Jovana Marović, Tena Prelec and Marko Kmezić, 'Strengthening the Rule of Law in the Western Balkans: Call for a Revolution against Particularism', BiEPAG, 2019, <https://biepag.eu/wp-content/uploads/2021/07/Strengthening-the-Rule-of-Law.pdf>

³ Tena Prelec and Milica Delević, 'Flatter, faster, fairer - How to revive the political will necessary to make enlargement a success for the WB and the EU', BiEPAG, 2020, <https://biepag.eu/flatter-faster-fairer-how-to-revive-the-political-will-necessary-to-make-enlargement-a-success-for-the-wb-and-the-eu/?fbclid=IwAR1PzFwDV0G0FOQDNAlcEU8WtCr2DwdMyB1x5qAb-YrkoXis2R96AJcVACOQ>

02. Radical shifts: How Russia's war against Ukraine has changed the process

Russia's full-scale invasion of Ukraine has changed the geopolitical situation in both Europe and the wider world. War on the European continent and the determination of the Ukrainians to achieve their European destiny – a goal they have been pursuing since the Maidan revolution in 2014 – have fundamentally transformed the dynamics of EU enlargement. Ukraine and Moldova became candidates in June 2022, with Georgia being recommended for candidate status on the condition that it makes further progress on political reforms.

Suddenly, after years of inertia – during which the goal of EU membership was routinely referred to as a “European perspective” to make it sound less definitive and threatening to citizens of EU member states – the number of candidates and potential candidates for EU membership has risen from seven to ten. This has not only revived the enlargement process but has also given it a sense of renewed purpose and urgency.

Ukraine's initial application for EU membership soon after the Russian invasion provoked a mixed reaction, especially in Western European member states, many of which had become sceptical of enlargement and wary of creating a precedent for a “fast track” membership. Ukraine, however, has been able to count on strong advocates in the Central European member states and the European Commission. The argument that has ultimately brought member states together is the shared understanding that Putin must not be given a win on the issue.

Following the European Council's historic decision to grant Ukraine and Moldova candidate status, the two countries responded quickly to requests for information, allowing the Commission to produce reports detailing priorities for both states to work on. Ukraine is now calling for a swift opening of accession negotiations. It understands that the appalling human and economic cost of

the war provides a strong moral and political case to rapidly move the process forward and avoid the endless technical and bureaucratic struggle experienced by other candidates. Based on the next report from the Commission, the European Council will decide on this matter by the end of 2023.

Russia's aggression against Ukraine has thus given new relevance to EU enlargement as the strongest expression of support and long-term commitment to Ukraine's future. It also has the potential to transform the nature of the process through which future members will be brought on board. To be able to accommodate refugees fleeing the war, the EU triggered, for the first time, the Temporary Protection Directive, an instrument developed in the wake of the refugee movements of the Balkan wars. Ukrainian citizens can thus live and work in the EU and have access to social services – rights that are usually given at the very end of the accession process.

Finally, ammunition and missiles are being jointly procured by EU member states and co-financed through the European Peace Facility to sustain Ukraine's war effort.

To provide support to the country's energy system, the EU integrated Ukraine into Europe's power system through emergency synchronisation with the European Network of Transmission System Operators for Electricity (ENTSO E). To ensure the economic survival of the country, the EU suspended all tariffs and quotas on imports of Ukrainian goods. Macrofinancial support totalling 18 billion euros that has provided Ukraine with stability and predictability, was achieved through collective borrowing, which had previously only been implemented at this scale in the context of the EU's pandemic recovery fund (NextGenEU). Finally, ammunition and missiles are being jointly procured by EU member states and co-financed through the European Peace Facility to sustain Ukraine's war effort.

In parallel with the well-established formal enlargement process (application, questionnaire, recommendations, opening of accession negotiations, screening), Ukraine has experienced a rapid partial *de facto* integration into the EU. This has resulted not from a deliberate decision to change the enlargement process, but instead as a consequence of integration being the most practical way for member states to provide sustained support to Ukraine. While the formal process remains slow and rigid, the EU has displayed remarkable speed and flexibility in addressing the urgent needs of Ukraine.

03. Implications for the Western Balkans: avoiding a decoupling into two enlargement projects

The evolving geopolitical landscape and the EU's approach to Ukraine are likely to have profound implications for the Western Balkans. Undoubtedly the most important is the revival of the enlargement process, which holds the key to the region's internal reforms and the resolution of long-standing bilateral and regional challenges. While the governments of the Western Balkans generally express support for Ukraine, they harbour concerns about the current crisis diverting efforts and attention away from their own integration into the EU, which remains incomplete. Nevertheless, the EU – aware of the negative consequences of years of stagnation and motivated by the renewed geopolitical relevance of the Western Balkans – has recently stepped up its engagement in the region.

The French EU presidency facilitated a compromise on Bulgarian objections to accession negotiations with North Macedonia, though it remains uncertain whether the parliament in Skopje will pass the required amendment to its constitution. Bosnia-Herzegovina was finally granted candidate status six months after Ukraine and Moldova, but internal issues and toxic politics continue to hold the country back. Meanwhile, Kosovo will benefit from visa free travel from January 2024, albeit many years after it initially met the required conditions. However, its application for membership, submitted at the end of 2022, faces an uncertain future as the EU counts five non-recognisers among its members. Similarly, Germany and France (with US support) have managed to revive the Belgrade-Prishtina dialogue, but despite an agreement achieved in March on a path toward normalisation between Serbia and Kosovo, tensions remain high, as recent clashes in the Northern parts of Kosovo have shown, and the outlook for the agreement's implementation remains uncertain.

The EU and its members have provided significant additional funding to support the region's energy security during the crisis, pledged to advance energy diversification and energy transition in the short and medium-term and invited the Western Balkans to take part in its common purchasing platform for hydrocarbons. Efforts aimed at the creation of a Common Regional Market have also made some progress with the signing of agreements on free movement and the mutual recognition of diplomas.⁴

The Western Balkan states have further benefitted from French President Emmanuel Macron's decision to launch a European Political Community,⁵ which offers a high-level political forum for discussion between the EU and its Eastern and Southeastern partners in the context of Russian aggression. Finally, Brussels is upgrading its own institutional capacity: after a long hiatus, the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) has a new Director-General and many other vacant positions are gradually being filled. Hopefully, it won't be too long before a new Director for the Western Balkans is appointed, nearly three years after the previous holder of the role left.

One of the crucial problems associated with the EU engagement with the region, however, persists: despite a change in the enlargement methodology in 2020⁶ to allow for progress to be rewarded with more tangible benefits and for reversibility in the case of backsliding, the EU's approach has remained weak and inconsistent. Countries successfully implementing reforms or taking significant steps are still not rewarded in a tangible way. Conversely, the EU has not been able to demonstrate that there are opportunity costs associated with lagging behind or backsliding.

(Not) joining the EU sanctions against Russia is a good example. Although the 2020 methodology highlighted the need for alignment with EU common foreign and security policy, the EU has yet to differentiate between countries that imposed sanctions against Russia and those that did not. Having earlier failed to use the new methodology to integrate countries of the region into key sectoral policies, the EU is now further undermining the credibility of its new approach.

4 Berlin Summit Chair's Conclusions, 2022, https://www.berlinprocess.de/uploads/documents/chairs-conclusions-bp-2022_1678468722.pdf

5 Ministry for Europe and Foreign Affairs of France, 'European Political Community', <https://www.diplomatie.gouv.fr/en/french-foreign-policy/europe/european-political-community/>; European Parliament, 'Beyond enlargement: European Political Community and enlargement policy reform', 2022, [https://www.europarl.europa.eu/RegData/etudes/ATAG/2022/739209/EPRS_ATA\(2022\)739209_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/ATAG/2022/739209/EPRS_ATA(2022)739209_EN.pdf)

6 European Commission, 'Enhancing the accession process - A credible EU perspective for the Western Balkans', 2020, https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-02/enlargement-methodology_en.pdf

Even if there seems to be, for the first time in a long while, a realistic chance for progress, two problems remain. The first is the persistence of internal problems such as dysfunctional structures and democratic backsliding as well as a number of unresolved bilateral issues. The second is lack of trust. Western Balkan elites and citizens, having heard so much for so long about the region's "European perspective", have little confidence in the EU's assurances and feel a degree of bitterness about the EU launching another enlargement project without having delivered on the promise it made to the Western Balkans twenty years ago.

04. Making enlargement work in the new circumstances

The EU's inability to successfully integrate the Western Balkans following the wars of the 1990s and its ambivalence toward the membership prospects of Georgia, Moldova and Ukraine arguably played a significant role in encouraging Russia's aggression. Conversely, the invasion of Ukraine has underlined the importance of the enlargement process as the EU's most effective geopolitical instrument while also demonstrating how this process can be made to work better. It is now crucial to make sure enlargement delivers for all countries involved – for those in the Western Balkans just as much as for the new candidates in Eastern Europe. For this to happen, the following observations should be considered:

- 01.** Embrace the new situation and capitalise on the momentum. For the first time in a long while, there appears to be an understanding among European leaders that enlargement must be advanced with determination. Western Balkan politicians need to understand that in order to seize this moment, the countries of the region now need to deliver on reforms. There is also an urgent need, both in the EU and in the Western Balkans, to strengthen popular support for enlargement. In the member states, the geopolitical case for future accessions must be clearly explained. In the region, political elites and civil society actors will need to mobilise to overcome widespread cynicism and rebuild confidence about pursuing a future within the EU.

In all previous enlargements there has been a moment when a target date was set for concluding the process. This would help to focus minds and increase momentum to achieve the necessary results.

o2. Enlargement is now a process that goes well beyond the Balkans and has to be adjusted to work for all in the new circumstances. It will be important to enhance links between the countries in the enlargement process to ensure all participants feel they have the potential to move forward. With Ukraine understandably being viewed as a priority and with the Western Balkans being encouraged to foster closer internal ties, there is danger of enlargement decoupling into two separate processes. Moldova, which was originally included in the Stability Pact for Southeastern Europe and is currently severely affected by the war in Ukraine, could play a key role as a bridge between the two regions.

o3. Political will to move enlargement forward and make its outcomes more tangible is more important than redesigning the technical process. The partial integration of Ukraine over the last year took place without any change to the enlargement methodology. As a result, Ukraine is today in some aspects more integrated into the EU than the Western Balkan countries. This combination of political commitment and *de facto* integration in different sectoral areas should now be implemented for all countries. The President of the European Commission, Ursula von der Leyen, has recently promised to bring the Western Balkans closer to the EU Single Market as part of its new growth plan for the region. It remains to be seen whether this will be yet another symbolic gesture whether concrete substantive steps will follow. Integration should proceed as fast as possible in as many areas as possible and with maximum flexibility. This would be in Ukraine's interest too, as budgetary, institutional and governance issues will inevitably slow down its accession process as well. Import restrictions recently imposed by Central European governments on Ukrainian grain to protect their farmers is an early example.

o4. Political unity on important issues is a key requirement for progress. The coherence and determination demonstrated by the EU in responding to Russia's aggression achieving a similar level of unity on issues plaguing the enlargement of the

WEstern Balkans would be equally important. Difference in the EU approach to Montenegro and Kosovo, two newest states in the region, is a case at point. On Montenegro's statehood, the EU was united. The EU had played an important mediating role in preparing conditions for the country's referendum on independence, which made it easier for Montenegro to open accession negotiations in 2012. In contrast, the EU is still divided on recognising Kosovo's independence, which represents a huge obstacle to Kosovo securing membership. Europe's new geopolitical focus should finally make it possible to overcome this division.

o5. Consistency in rewarding progress – and demonstrating that backsliding has a cost – is crucial. The most vivid example of this is North Macedonia. A former frontrunner in the enlargement process – having received candidate status in 2005 – the country has lost almost two decades trying to resolve its bilateral dispute with Greece. After changing its name and thereby complying with the EU's demands, the opening of accession talks was vetoed first by France and then by Bulgaria. This has destabilised the country's political situation and led to an erosion of support for the EU.

o6. Progress on enlargement requires stable, predictable and sustainable funding. This needs to be reflected in the EU's financial planning and supported by bringing in international financial institutions and private capital. The EU has provided significant financial support to the Western Balkans and has attempted to crowd in other actors to leverage its funds, including through the adoption of the Economic and Investment Plan for the Western Balkans that was adopted in 2020. However, funding has always fallen short of both the real needs of the region and of expectations raised by the EU's promises. The Commission President Von der Leyen recently announced a further increase in pre-accession funding as part of the Commission's new growth plan for the Western Balkans, but it remains to be seen how significant this increase will be. An open financial framework, similar to the Western Balkans Investment Framework (WBIF) where international financial institutions, bilateral donors and beneficiaries work together with the Commission, is a good approach to funding a suitable model for providing funding. As the victim of a war of aggression, Ukraine requires a specific approach (and a new facility for Ukraine will soon be established), but Moldova could

potentially be brought into the WBIF if additional funding for the framework is provided.

07. Clarity and focus matter. The proliferation of initiatives, most of which relate to regional integration, risks obscuring both progress and setbacks. Such initiatives often have the appearance of being substitutes for real progress on enlargement. Ukraine and its EU backers were therefore right to insist that the newly established European Political Community should in no way be regarded as a replacement for EU membership. Frequently overlapping initiatives with different levels of participation make it difficult to understand what inclusivity and success in regional cooperation really means. An obvious example is the Open Balkans initiative, launched by three Western Balkan countries (Albania, North Macedonia and Serbia), which overlaps with the Common Regional Market, a similar but more inclusive initiative championed in the context of the Berlin process.

08. Capacity matters, in the EU as well as in candidate countries. Giving the enlargement dossier to a member of the European Commission from a political party that is widely perceived to be an argument against enlargement was a bad mistake that must not be repeated. It will be equally important not to allow the directorate general for neighbourhood – which deals with the ring of countries around the EU and is hence crucial for its security and stability – to be understaffed at all levels for extended periods of time. On the side of candidate countries, Western Balkan administrations and civil society actors have extensive experience of interacting with each other and with the EU. Lessons learned on how to organise, how to communicate and what to avoid should be more systematically shared with Georgia, Moldova and Ukraine.

09. High level political attention remains essential. If not for Russia's invasion of Ukraine, enlargement would still be in the hands of technocratic actors in both Brussels and the candidate countries. Over-reliance on technocrats is a clear indication that politicians believe the enlargement process is unlikely to progress. This is a sure way to lose public support in both accession countries and EU member states, not least because of the impenetrable nature of the EU's bureaucratic jargon. The EU must also avoid creating the impression that

meeting technical criteria can make up for a lack of progress on genuine substantive reforms.

- 10.** Fundamentals are indeed fundamental. Ten years ago, the Commission introduced the “fundamentals first” approach to enlargement, which states that without results on democracy and the rule of law, there will be no overall progress in the negotiations. Since then, Serbia and Montenegro, two frontrunners in accession negotiations, have been downgraded by Freedom House from “free” to “partly free”. Ukraine’s integration is helped by EU leaders’ desire to have Volodymyr Zelensky at the table, with the Ukrainian President viewed as a democratic leader confronting Russian imperialism. But if Western Balkan leaders attempt to emulate Hungary’s Viktor Orbán, they will be unlikely to receive such a welcome response. EU leaders, for their part, must communicate the crucial importance of the political criteria of the enlargement process and explain clearly that democracy is a key European value, without which progress towards the EU will not be possible.

About us

The Balkans in Europe Policy Advisory Group (BiEPAG) is a joint initiative of the European Fund for the Balkans (EFB) and Centre for the Southeast European Studies of the University of Graz (CSEES) promoting the European integration of the Western Balkans and the consolidation of democratic, open countries in the region. BiEPAG is grounded in the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. It adheres to values that are common to a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail. It is composed of prominent policy researchers from the region and wider Europe with demonstrable comprehension of the Western Balkans and the processes shaping the region. Members are Florian Bieber, Bojan Baća, Matteo Bonomi, Dimitar Bechev, Srđan Cvijić, Marika Djolai, Milica Delević, Nikola Dimitrov, Vedran Džihić, Richard Grieveson, Donika Emini, Dejan Jović, Marko Kmezić, Srđan Majstorović, Jovana Marović, Zoran Nechev, Damir Kapidžić, Tena Prelec, Corina Stratulat, Nikolaos Tzifakis, Alida Vračić, Gjergji Vurmo, Natasha Wunsch.

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The European Fund for the Balkans is a joint initiative of the Erste Foundation, Robert Bosch Foundation and King Baudouin Foundation that envisions and facilitates initiatives strengthening democracy, fostering European integration and affirming the role of the Western Balkans in addressing Europe's challenges. Its strategy is focused on three overarching areas – fostering democratisation, enhancing regional cooperation and boosting EU Integration. The EFB supports the process of affirming the efficacy of EU enlargement policy across the Western Balkans, improving regional cooperation amongst civil society organisations based on solidarity and demand-driven dialogue. It provides means and platforms for informed and empowered citizens to take action demanding accountable institutions and democracy. The focus is on continuous reforms of the policies and practices of the Western Balkans countries on their way to EU accession.

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The Centre for Southeast European Studies was set up in November 2008 following the establishment of Southeast Europe as a strategic priority at the University of Graz in 2000. The Centre is an interdisciplinary and cross-faculty institution for research and education, with the goal to provide space for the rich teaching and research activities at the university on and with Southeast Europe and to promote interdisciplinary collaboration. The Centre also aims to provide information and documentation and to be a point of contact for media and public interested in Southeast Europe, in terms of political, legal, economic and cultural developments. An interdisciplinary team of lawyers, historians, and political scientists has contributed to research on Southeast Europe, through articles, monographs and other publications. The centre regularly organises international conferences and workshops to promote cutting edge research on Southeast Europe.

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