

CEPS Paper in

LIBERTY and SECURITY



in Europe

The Western Balkans' EU Dream Ambition calls for a new process

Gjergji Vurmo

No. 2018-03, April 2018

CEPS Papers in Liberty and Security in Europe offer the views and critical reflections of CEPS researchers and external collaborators on key policy discussions surrounding the construction of the EU's Area of Freedom, Security and Justice. The series encompasses policy-oriented and interdisciplinary academic studies and comment on the implications of Justice and Home Affairs policies within Europe and elsewhere in the world.



This publication has been carried out within the framework of the ENGAGE Fellowship Programme. The Fellowship Programme counts with the support of the Open Society Initiative for Europe (OSIFE). It is a tailor-made Programme that connects academic, civil society and think tank actors from Central and Eastern European and Western Balkans countries with EU-level policy debates. It consists of a one-year programme providing a set of trainings, study visits, public events and a policy brief writing exercise. The ENGAGE Fellowship takes a Rule of Law approach to the policy domains of Rights, Security and Economics. See the penultimate page for a description of the ENGAGE project.

The Programme is coordinated by the CEPS Justice and Home Affairs Unit and counts with the involvement of several CEPS Senior Research Fellows. This publication has been supervised by Steven Blockmans, Head of CEPS Foreign Policy Unit.

Gjergji Vurmo is Program Director of the Institute for Democracy and Mediation (IDM), Tirana, Albania.

Unless otherwise indicated, the views expressed are attributable only to the author in a personal capacity and not to any institution with which he is associated. This publication may be reproduced or transmitted in any form for non-profit purposes only and on the condition that the source is fully acknowledged.

978-94-6138-681-6

Available for free downloading from the CEPS website (www.ceps.eu)

© CEPS 2018

Contents

Key points for policymakers	1
Policy recommendations.....	1
Background	2
Where do we stand?	3
Partial steps undermining ambition	5
Raising the bar... ..	6
Yet...it's neither simple, nor fast.....	8
EU reform dimension	8
Societal dimension: Overcoming the EU's 'fatigue' and WB 'fake reformers'	8
The security dimension	9
Moving forward	10
Key milestones.....	11

The Western Balkans' EU Dream

Ambition calls for a new process

Gjergji Vurmo

CEPS Paper in Liberty and Security in Europe No. 2018-03, April 2018

Key points for policymakers

Rule of law realities in the Western Balkans mean that these countries oscillate between semi-consolidated democracies and hybrid regimes. As the EU itself struggles to address internal challenges through a reform process, its accession framework for the Western Balkans (WBs) must also be upgraded. Having served its core purpose of 'stabilising' the post-war region, and with only one success story – Croatia's EU accession – the Stabilisation and Association Process (SAP) has failed to accelerate the transformation and the EU's accession track for other WB countries. The EU's response to this stuck-in-transition region over the past years has been insufficient and lacked ambition.

The EU's paradigm of 'it's not the date, but the process that matters' has allowed a continuation of 'business as usual' for populist WB politicians flirting with Russia and Turkey – tolerated by the EU for as long as they facilitate stability in the region. As Russian and Turkish influences threaten to penetrate the political, economic and societal sphere of WB countries, and nationalist and populist narratives abound, the EU's goal of building a pro-Western security community in the region is being undermined. This would have consequences for the region and beyond. Therefore, it is of paramount importance to centralise efforts through a revived enlargement process for the WBs with a clear timeframe (stages), stronger conditionality and more efficient financial assistance that channels support for accession reforms, economic development and competitiveness under a single instrument.

Policy recommendations

The EU must bring an end to the current fragmentation of approaches between a weak SAP and an inept Berlin Process also intending to support cooperation. With likely four out of six WB countries negotiating their EU membership by early 2019, and with the emphasis placed on the rule of law and consolidation of economic governance, the SAP is already a redundant accession 'model'. The key measures for the EU to 'absorb' WB countries by 2030 should be set out under a new transformation and accession process (TAP) and include the following:

- 1) Engage in designing a TAP with a (single) financial assistance instrument to support accession reforms and strengthen the WBs' competitiveness and economic development with more aggressive conditionality and EU leadership.
- 2) Prepare to launch accession negotiations with all WB countries by 2020, starting with chapter 5 on public procurement; chapter 23 on the judiciary and fundamental rights; chapter 24 on justice, freedom and security; chapter 32 on financial control; and chapter 35 on other issues to deal with bilateral disputes.

- 3) Establish an EU contact group with strong political leverage under the lead of the High Representative of the Union for Foreign Affairs and Security Policy to address within clear deadlines the WBs' bilateral and other related disputes – such as Bosnia and Herzegovina's internal deadlock, Kosovo's status, the Kosovo–Serbia dialogue, Macedonia's name dispute, and border disputes.
- 4) Set benchmarks and indicators for irreversible progress on the rule of law, economic governance and bilateral disputes as a condition for accession negotiations on the remaining chapters. Set 2023 as the deadline for irreversible progress on these chapters for all WB countries.
- 5) Complete accession negotiations with WB countries demonstrating a track record of achieving benchmarks by 2030 – the target date for the complete 'absorption' of the WB region.

Background

During the first post-war decade in the Western Balkans (WBs), the prospect of EU membership was a powerful driving force for reform in these countries. Yet, ten years on from the EU–Western Balkans Summit in Thessaloniki in 2003, only Croatia had managed to leave the WB group and join the European Union. The EU's transformative power has since declined and failed to fast-track the region towards EU membership. Quite the opposite has occurred: the rule of law and democracy in WB countries have continued to deteriorate as the EU has shied away from more vigorous engagement. Weak rule of law, captured states and economies, endemic corruption and general impunity are among the most serious problems that have held back the WB countries' democratic processes and progress towards EU membership.¹

While the Stabilisation and Association Process (SAP) served the 'stabilisation' purpose of the post-conflict Balkans, it soon appeared to be a narrow and rather cumbersome framework for the next step – assisting the democratic transformation of WB countries and consolidation of the rule of law. The EU's continued focus on 'stability' at a time when most countries in the region needed to take the next step towards consolidating 'democracy' and the rule of law produced a '*stabilocracy*',² with a Balkan political elite enjoying the benefits of the EU's waiting room – soft treatment and funds from the Instrument for Pre-Accession Assistance (IPA). Ultimately, this approach seems to have backfired on the SAP's stability objective, with growing concerns over Russian or Turkish influences and even internal instability in some of the WB countries.

¹ The regime classification of WB countries according to Freedom House's "Nations in Transit" 2017 varies from a "semi-consolidated democracy" (Serbia and Montenegro) to a "transitional government or hybrid regime" (Albania, Macedonia, Kosovo, and Bosnia and Herzegovina (BiH)). Similarly, the Economist Intelligence Unit's Democracy Index rates all WB countries as hybrid regimes (Albania, Macedonia, Montenegro and BiH), with the exception of Serbia (a flawed democracy), while Kosovo is not included in the index. See <https://infographics.economist.com/2017/DemocracyIndex/>.

² "*Stabilocracy* provides stability externally but domestically oscillates between democracy and autocratic tendencies" (A. Primatarova and J. Deimel, "Bridge over Troubled Waters? The Role of the Internationals in Albania", Centre for Liberal Strategies, Sofia (2012)).

As the Balkan political leaders grew more authoritarian and populist, the EU attempted to refresh the region's European perspective through a new approach to accession negotiations in 2011 (chapter 23 on the judiciary and fundamental rights and chapter 24 on justice, freedom and security would be the first ones to open and the last ones to be concluded). A further drive in 2013 saw the 'fundamentals first'³ initiative for WB countries that have yet to open accession negotiations. A year later, the Berlin Process⁴ was launched, seeking to keep optimism about EU membership high in the Balkans given the fact that, as European Commission President Jean-Claude Juncker declared, "there would be no enlargement in the next five years".⁵

These efforts were nevertheless pursued in the same outdated context of ambitions (the SAP) that disregarded the new realities in the region (captured states, economic decline, decreased freedom of expression and shrinking civic space). It also disregarded factors influencing the region from within the EU (namely the financial crisis, the rise of populism, backsliding in some member states' democracies) and externally from a rule of law and security threat perspective, i.e. Russian influence invested in supporting nationalist leaders. The 'recalibrated fundamentals first' approach that was piloted in 2015⁶ suffers the same deficiency of ignoring such realities and their interplay at the level of the WBs and EU.

Where do we stand?

In the wake of rising security threats in EU countries stemming from foreign fighters in the Syrian conflict, the migrant crisis, populism and allegations of Russian interference in EU/member states' democratic processes on the one hand, and the deteriorating state of democracy threatening regional stability (Macedonia and Kosovo) on the other, the EU increased its pressure on WB countries to show tangible results on the rule of law, economic governance, democracy and security. Although this was not an audacious 'security through democracy' approach (which experts have long suggested), it showed some understanding on the part of the EU that the consolidation of democracy, the rule of law and economic development would refresh the WBs' stalled accession process. The European Commission's recalibrated 'fundamentals first' approach in 2016 included the rule of law and fundamental

³ Fundamentals first implies more concerted efforts and attention by the European Commission on the progress that WB countries should make on key rule of law issues, such as the fight against corruption, economic governance, freedom of expression and media, human rights and protection of minorities. See the remarks by former Commissioner Štefan Füle in European Commission, "EU Enlargement priorities for 2014", Press Release, Brussels (October 2013) (http://europa.eu/rapid/press-release_IP-13-930_en.htm).

⁴ See the German Federal Government, "Final Declaration by the Chair of the Conference on the Western Balkans", Press Release (August 2014) (<https://www.bundesregierung.de/Content/EN/Pressemitteilungen/BPA/2014/2014-08-28-balkan.html>).

⁵ See Jean-Claude Juncker's statement of 10 September 2014 (http://europa.eu/rapid/press-release_IP-14-984_en.htm).

⁶ In 2015 (the pilot year), the new methodology for the fundamental areas was introduced (on the rule of law, reforms to public administration and the economy) along with chapters 5, 18 and 32, which are closely related to the fundamentals.

rights, public administration reform, public procurement, statistics, financial control, economic development, the environment, climate change and certain areas of chapter 24 (on migration, border control, asylum and the fight against terrorism). The EU's objective, as articulated by High Representative of the Union for Foreign Affairs and Security Policy Federica Mogherini in September 2017, is that "by the end of the current European Commission mandate, in two years, we will see practical, measurable progress for all our six partners in the Western Balkans – progress that will make it irreversible their path towards the European Union" [sic].⁷

The European Commission's Strategy, entitled "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans" (February 2018), builds on this objective, but falls short of an ambitious process and framework of instruments to embrace all WB countries as EU members in a foreseeable future. Such a process must start with launching EU membership talks with all WB countries as soon as possible and engaging with them to complete accession reforms within a clear timeframe. This requires an EU that is able and willing to exert more vigorously its leverage on WB political elites, as it has done sporadically in the recent past in Macedonia, Kosovo and Albania. The paradigm of 'it's not the [EU accession] date, but the process that matters' has long served as an excuse to justify unwillingness and to ping-pong the blame between an EU that is reluctant to enlarge and Balkan political elites who enjoy the accession waiting room. For citizens of the WB region, clarity about the timeframe and stronger EU engagement in the region prioritising the rule of law actually matter because it sets the tone of an ambitious and far more effective process than the SAP.⁸

The European Commission's Strategy for the Western Balkans (February 2018) only partially responds to these ambitions. It focuses on an expanded list of priorities through the six [flagship initiatives](#) and even mentions a possible accession date (2025), albeit only for the frontrunners (Serbia and Montenegro). Recently, the European Commission's Enlargement Package adopted on 17 April 2018 recommended that the Council decides to open accession negotiations with Albania and Macedonia while the prospect of accession negotiations remains distant for BiH and Kosovo.⁹ The Commission's Strategy fails to be ambitious in terms of the (accession) process because it still relies on the same SAP framework, thus further eroding its credibility in

⁷ See the speech by High Representative Mogherini at the 2017 Bled Strategic Forum on 4 September 2017 (https://eeas.europa.eu/headquarters/headquarters-homepage/31635/speech-high-representativevice-president-federica-mogherini-2017-bled-strategic-forum_en).

⁸ The *Balkan Barometer* reports for 2015 and 2017 illustrate how public attitudes towards EU membership in Montenegro (advancing with accession negotiations) and Macedonia (where the EU was seriously invested in solving the political crisis in 2016) improve with more clarity from the EU side. The percentage of citizens who perceive EU membership as good for their country jumped in Montenegro from 35% in 2015 to 44% in 2017 and in Macedonia from 41% in 2015 to 54% in 2017. See Regional Cooperation Council Secretariat, *Balkan Barometer Report 2017*, Sarajevo (http://www.rcc.int/seeds/files/RCC_BalkanBarometer_PublicOpinion_2017.pdf) and *Report 2015* (http://www.rcc.int/seeds/files/RCC_BalkanBarometer_PublicOpinion_2015.pdf).

⁹ See the European Commission's press release, "Enlargement package 2018" (http://europa.eu/rapid/press-release_IP-18-332_en.htm).

the eyes of WB citizens and its own transformative power.¹⁰ Carrying out the flagship initiatives in an outdated SAP framework is a far from efficient approach to reviving the EU's transformative power, resuming a faster pace in the WBs' accession and countering 'eastern' influences, messages and ultimately, models of governance. Most significantly, the SAP framework for the WBs' accession ignores almost entirely the security dimension of enlargement and its interplay with the rule of law realities in the region, as well as prospects to develop capabilities to cope with EU membership obligations. Finally yet importantly, not only the SAP but also its financial support arm (IPA funds) appear incapable of responding to the need for the WBs to develop economic capabilities and catch up with the EU's economy.¹¹ The ambition of the Berlin Process to act on this need represents a confirmation of these shortcomings although (four years later) this Process has not succeeded either in delivering any concrete output, beyond "planning".¹² Meanwhile, other eastern players, such as China or Turkey, are competing even in this domain – with investment and financial instruments that require no rule of law reforms.

Partial steps undermining ambition

The EU's planned steps to refresh its transformative power in the WB countries and help them consolidate the rule of law, democracy, economy and stability are insufficient. While the six flagship initiatives set an expanded list of priorities, these are neither enough nor substantially different from the framework applied to the region over the past years. Without a predictable process of accession and EU tenacity in exerting reinvigorated leverage, rule of law reforms risk serious delays and resistance from players in captured states in the WBs.¹³ Ultimately, also at

¹⁰ While in the case of BiH public attitudes towards EU membership represent an illustration in this context of the disillusionment of both the national political elites and Brussels, it may soon extend to other countries too. Arguing that the Kosovo–Serbia dialogue has never advanced beyond leaders shaking hands and photo opportunities in Brussels, Haki Abazi warns that “with no vision of long-term, durable solutions, the conflict has, in fact, been only entrenched in the minds of new generations for decades to come”. See H. Abazi, “The Kosovo–Serbia Dialogue Just ‘Lose–Lose’”, *Balkan Insight* (13 November 2017) (<http://www.balkaninsight.com/en/article/the-kosovo-serbia-dialogue-is-just-lose-lose--11-13-2017>).

¹¹ Starting with the 2018 Enlargement Package, the Commission also published its annual assessments of the Economic Reform Programmes for the Western Balkans and Turkey. See https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en.

¹² See E. Fouéré and S. Blockmans, “The ‘Berlin Process’ for the Western Balkans – Is it delivering?”, CEPS Commentary, CEPS, Brussels (July 2017) (<https://www.ceps.eu/publications/berlin-process-western-balkans--it-delivering>).

¹³ Such resistance was noted in Albania by Pierre Mirel, arguing that the “old members of the DP [Democratic Party] tried for a last time to prevent legal reform in February 2017 with a ferocious campaign against the vetting of magistrates and its boycott of Parliament and the demand for a government of technocrats until the elections in June 2017”. It was also noted more recently in Kosovo with the attempts to abolish a special court set up to try former Kosovo Liberation Army members suspected of war and post-war crimes. See “The Western Balkans: Between stabilisation and integration in the European Union”, European Issues Policy Paper No. 459, Robert Schuman Foundation (23 January 2018), p. 4 (<https://www.robert-schuman.eu/en/doc/questions-d-europe/ge-459-en.pdf>).

risk are the WB countries' prospects for building the capabilities for coping with EU membership obligations in a foreseeable future under the continued outdated framework – the SAP and IPA.

The EU's efforts to revive its transformative power in the region should not be constrained to the recalibrated priorities of the outdated (SAP) framework but must instead be integrated within the ambitions of EU reform to build a stronger and more unified Union. With intense pressure coming from the east – most notably, Russia and Turkey – to undermine the EU's role on the continent, the Balkans pose a threat to the EU's own stability and prosperity. While Russian influence remains strong in some of the WB countries,¹⁴ and Turkey is solidifying its presence,¹⁵ both players seem to be vested in undermining the EU's transformative power in the region.¹⁶

As the eastern influence will continue to penetrate the political, economic and broader societal spheres of WB countries, thus undermining the EU's role and the building of a pro-Western security community in the region, nationalistic and other populist narratives risk a serious comeback in the WBs, the consequences of which might expand beyond the borders of the region.¹⁷ The lack of a credible ambition on the part of the EU in the context of the enlargement process and as an integral part of 'future of Europe' plans will push the WB public to become more sceptical about new promises made by the EU, especially if painful reforms at home do not translate into tangible benefits in the intermediate period.

Evidently, the risks to the EU and to the WBs require much more than just the flagship initiatives under an outdated SAP and IPA.

Raising the bar...

The flagship initiatives must prioritise progress on chapters with a direct impact on strengthening the rule of law and economic governance. However, to enable a process of irreversible transformation of the WBs as a whole, the EU must move swiftly towards opening accession talks as soon as possible with all six WB countries in order to galvanise public support

¹⁴ While Macedonia is struggling to cope with Russia-sponsored interference domestically, Russia still seems an important player in both Serbia and Bosnia's EU accession. Russia is invested not only in these countries' non-alignment with the EU's foreign policy declarations indirectly related to Russia (on Ukraine and Syria) but also in Serbia's position in the dialogue with Kosovo, and Republika Srpska's stand on the BiH political crisis.

¹⁵ In addition to the strong political influence in Bosnia, Turkish investments are on the rise in Kosovo (mining) and in Albania (lately with plans to support the creation of an Albanian airline company). Furthermore, President Recep Tayyip Erdogan's recent visit to Serbia is another signal of Turkey's determination to fortify its leverage. See <http://www.dw.com/en/erdogan-wants-balkans-as-leverage-on-europe-expert/a-38009794>.

¹⁶ Ivan Krastev (March 2017) argues that "Russia and Turkey are united in their efforts to reduce the influence of the EU in the Balkans. Moscow and Ankara are actively politicising ethnic and religious tension in the Balkans." See "EU goes back to the future in the Balkans", *FT.com* (15 March 2017) (<https://www.ft.com/content/620509da-0968-11e7-ac5a-903b21361b43>).

¹⁷ Dušan Reljić argues that "only the European Union can enable Russia and Turkey to gain true influence in the Western Balkans – but if it continues to procrastinate, EU enlargement in the region will collapse". See "Western Balkans EU path: Political and economic deadlocks" (16 February 2016) (<https://europeanwesternbalkans.com/2016/02/16/western-balkans-eu-path-political-and-economic-deadlocks/>).

and trust in the EU accession process. The European Commission's recommendation to open accession negotiations with Macedonia and Albania is a welcome step that needs to be backed by the Council, but it is not enough. As the EU should increase the pressure on reluctant political actors to deliver in a timely way on negotiation benchmarks, more action is required for the region's laggards – Kosovo and BiH – to include them in the accession negotiations framework.

This step must come in the context of an entirely new framework for the EU accession process, thus leaving behind the outdated SAP. With likely four out of six WB countries negotiating their EU membership by early 2019, and with the emphasis placed on the rule of law and consolidation of economic governance, the SAP is already a redundant accession 'model'. A reframed accession framework for the WB countries needs to embark on ambitious objectives and set a clear timeframe for the process, which the European Commission's new Strategy only does partially. It must also concentrate the efforts within a single framework with strong EU leadership, thus ending the current fragmentation between an outdated and weak SAP monitored by the Commission and a Berlin Process that fails to add value to the IPA and struggles to show leadership by member states cautiously championing enlargement.¹⁸

Replacing the SAP as the framework for the WBs' accession and redesigning the EU's financial assistance instrument is of paramount importance. A comprehensive transformation and accession process (TAP) for the WBs is needed to secure an irreversible rule of law and development path towards EU accession. The TAP would require stronger involvement and readiness by the EU to reinforce and make use of its political leverage on the WB countries. Such a tool would be welcome by the people in the region and yet significantly feared by corrupt local politicians, as witnessed recently in the case of Albania's judicial reform and the Macedonian political crisis.

Unlike the SAP, which fails to exert sufficient pressure from the EU on WB countries' political elites to overcome the key concerns in their EU accession path within clear deadlines (such as corruption, state capture and bilateral issues), a reinforced TAP should start precisely from there. It should also be equipped with an EU financial assistance instrument that channels not only support for accession reforms but also the means to build the economic capabilities of the WBs. A form of 'shock therapy' to restore rule of law standards in WB countries coupled with the traditionally high public support for EU membership would channel WB countries' energies more smoothly in development and accession negotiations, rather than wasting them on lingering bilateral disputes that serve corrupt political elites flirting with eastern influences and authoritarian models.

¹⁸ Similarly, Fouéré and Blockmans (2017), op. cit., argue that "rather than embracing German Foreign Minister Sigmar Gabriel's suggestion of a 'Berlin Plus', which would follow on from the current Process and beef it up with, inter alia, a fund for infrastructure and technology, the leaders assembled at the Trieste summit should have questioned whether such promises will have real added value to what the EU has been able to muster up to now".

Yet...it's neither simple, nor fast

Reviving the EU's transformative power in the region does not depend solely on the type of arrangement for the accession process turning into the most effective mode nor on the (behaviour of the) contractual parties (the EU and WB countries) based on the lessons learned from the SAP. An effective and well-timed TAP could essentially be conditioned by the outcome of the EU's own reforms and the extent to which the EU will develop as a stronger and more unified economic, security and political actor on the European continent. Ultimately, it will also depend on the extent to which the EU itself is able and willing to play such a role in the region and the extent to which Balkan societies show determination to push their countries along an irreversible path to join the EU family in embracing democratic values and economic progress, aligned with the Western security community.

However, this would be neither simple nor fast to implement.

EU reform dimension

Although enlargement is not currently an EU reform topic, both discourses (EU reform and its transformative power in the region) centre on the same themes – democracy, the economy and security. The five scenarios of the European Commission's white paper¹⁹ and Juncker's own sixth scenario outline the options ahead for the EU. Still, the precise scenario, the areas for reform and their outcomes are yet to develop in the next two years. In the aftermath of Germany's elections, French President Emmanuel Macron outlined the areas for reform from a 'two- or multi-speed Europe' perspective, which is something that Juncker's sixth scenario argues against. Although Franco-German leadership is essential for the outcome (the German chancellor showed cautious optimism about Macron's proposals),²⁰ the negotiations and final outcome of EU reform would likely take time to be reflected in the accession process of the WBs, should enlargement continue to be off the EU reform discussion table.²¹ Hence, there is a need to make enlargement part of the EU's reform outcomes or at least in line with them.²²

Societal dimension: Overcoming the EU's 'fatigue' and WB 'fake reformers'

Public support for enlargement in the EU has decreased dramatically since the 2004 big bang. As on the one hand, the WB region has continued to be a source or transit route for organised crime activities in the EU and more recently for other security threats (terrorism), and on the other hand concerns are rising over the unfinished transformation of the fifth enlargement

¹⁹ See European Commission, "White paper on the future of Europe: Five scenarios", Brussels (1 March 2017) (https://ec.europa.eu/commission/white-paper-future-europe/white-paper-future-europe-five-scenarios_en).

²⁰ See "Merkel shows readiness to engage with Macron on reform", *FT.com* (28 September 2017) (<https://www.ft.com/content/ede69328-a482-11e7-9e4f-7f5e6a7c98a2>).

²¹ President Macron, in his speech at Sorbonne University (26 September 2017), refers to a five-year plan (2019–24) for the transformation of the EU.

²² Similarly, Marko Kmezić and Florian Bieber see an opportunity for the EU to re-engage with the Balkans' accession (see "Western Balkans and the EU – Fresh Wind in the Sails of Enlargement", BiEPAG, October 2017).

(2004), the EU has shifted away from bold political decisions on the WBs' accession. Replacing the SAP with a more ambitious transformation and accession process within a clear timeframe would in fact represent a bold political decision, which may be taken amid less sceptical EU public opinion. That said, this is not just a matter of an awareness campaign among EU constituencies on the benefits of EU enlargement in the Balkans, but rather dependent on more vigorous actions to overcome objections of 'enlargement fatigue' and real-life narratives concerning 'unfinished enlargement'. The EU's response to the unfinished enlargement concerns and the backsliding of democracies in some of the member states offer an opportunity for the EU to reassure its citizens that the rule of law is not optional.

From the WBs' perspective, it is time for citizens of the region to support bold political actions instead of fake reformers. The long path of Albania's judicial reform bears witness to the serious resistance by the threatened political and economic elites to renounce control of the judiciary. This should be seen eventually in each of the countries in the region during the first phase of the TAP. Its success will require vibrant societies and the ability of people in the WBs to overcome social apathy and actively engage in the transformation process. A clearly framed timeline for the TAP and strong leadership by the EU to support reforms in the region offer more than a solid incentive to restore citizens' trust in EU accession and their role in this process. The recent progress noted in Macedonia speaks of such potential for citizens' engagement when the EU voices their concerns and does not tolerate political leaders trading stability.

The security dimension

While eastern, especially Russian influence, has been used by political leaders in the WBs to get support (as reformers) from the EU, it is nonetheless apparent that an unstable and non-democratic region serves the interests of eastern powers to undermine the EU and the alliance of the Western security community (NATO). Jeffrey Mankoff notes that "much of the [WB] region is in danger of becoming a new grey zone: an area beyond the EU's reach, vulnerable to Moscow's influence, and at risk of domestic breakdown".²³ The pending bilateral disputes are not only holding back the WBs' accession but are also amplifying Turkish and Russian influences through continued instability. The current SAP as a framework for WB countries' EU accession and the lack of EU leadership in mediating solutions to the bilateral disputes and other internal crises (e.g. BiH) have long ignored the security dimension of EU enlargement. Therefore, the transformation and accession process must be equipped with tools to act swiftly to solve the bilateral and related disputes in the region, such as the Serbia–Kosovo dialogue and Kosovo's recognition by EU members, BiH's lingering instability, and Macedonia's internal developments and name dispute with Greece. Such an approach should be regarded as an opportunity to increasingly align the WB countries with the Western security community and reinforce their path towards sustained peace, democracy and prosperity in the region.

²³ See J. Mankoff, "How to Fix the Western Balkans", *Foreign Affairs* (July 2017) (<https://www.foreignaffairs.com/articles/southeastern-europe/2017-07-07/how-fix-western-balkans>).

Kosovo (its recognition by EU members) and BiH appear at present to be the most challenging issues. The EU membership perspective has encouraged the different parties (in Serbia, Kosovo and BiH) to engage in resolving the open questions in the region. The opening of accession negotiations must be coupled with stronger EU leadership to mediate agreements. Such leadership should not shy away from strong pressure on the political elites; recent developments in the region have shown that the WB public welcomes it from the EU while the only ones to oppose it are the corrupt political elites.²⁴ In this context, the efforts of the High Representative's office to mediate solutions to bilateral disputes and related (internal) deadlocks within the WB region/countries need to be reinforced by employing the political leverage of an EU contact group.

Moving forward

In 2019 the EU will enter a new institutional cycle with the election of a new European Parliament and Commission. Meanwhile, the EU reform debate has already embarked on a tight schedule of 13 summits over two years as Brexit is underway.²⁵ The proposed two-year EU reform blitz has planned an EU–Western Balkans summit to take place in May 2018 (in Sofia). This is an opportunity for both the EU and the WBs to show leadership to reset the EU's transformative power in the region through signalling a new framework for WB countries' accession in the EU – the TAP.

In order to meet this historic challenge for the WBs and the EU (enlargement), the TAP must be more ambitious by tailoring the speed and depth of reforms for individual countries to meet the objective of joining the EU within the next decade. Given the current progress of the least advanced countries (Kosovo and BiH) and in view of the expected length of accession negotiations, 2030 seems an attainable target date for the whole WB region to complete negotiations and eventually join the EU under an accession framework (TAP) that articulates what has been missing so far under the SAP: adequate instruments; EU leadership and pressure to overcome rule of law, economic and security-related challenges in the WB region within clear timeframe targets; progress benchmarks; and a cohesive financial-assistance instrument to support accession reforms and most importantly, to boost the economic capabilities of WB countries.

Such a process must first secure irreversible progress in meeting the political and (some of) the administrative criteria for membership and addressing all bilateral disputes not later than 2023 (with a 2025 deadline for implementation in practice). Simultaneously, it should take action to

²⁴ Public support for EU membership remains high in many WB countries. While BiH's accession process is being obstructed by political parties in Republika Srpska, 56.4% of citizens in the Serb-dominated entity would vote to join the EU, while in the Federation of Bosnia and Herzegovina, which Bosnians and Croats dominate, 76.2% support EU membership. See *Balkan Insight*, "Bosnia Stalls on Answering EU Questionnaire" (20 December 2017) (<http://www.balkaninsight.com/en/article/bosnia-s-newest-delay-on-answering-questionnaire-12-19-2017>).

²⁵ A document prepared by President of the European Council Donald Tusk presents an outline of issues for discussion by EU leaders between October 2017 and June 2019 – see Council of the European Union (17 October 2017) (<http://www.consilium.europa.eu/en/press/press-releases/2017/10/17-tusk-invitation-letter-euco/>).

lead WB countries to meet the economic criteria, and to build the administrative and institutional capacities to both implement the *acquis* and take on the obligations of membership. In light of the differences between the countries in the region from the perspective of institutional and economic capacities, a 'group enlargement' seems unlikely. Therefore, any of the frontrunners may accede to the EU by the target year set in Juncker's recent statements (2025), provided they have addressed pending bilateral issues and proven implementation. While it is difficult to prevent new EU members from the region from hampering the accession negotiations of other WB countries, removing all standing bilateral disputes and related issues from the region's agenda should set the accession talks within the 'normal bargaining' context of negotiations.

The first phase of the TAP implies opening accession negotiations with all six WB countries by starting with the following chapters: chapter 5 on public procurement; chapter 23 on the judiciary and fundamental rights; chapter 24 on justice, freedom and security; chapter 32 on financial control; and chapter 35 on other issues to cover bilateral disputes and related matters with both EU and non-EU members. Accordingly, some of the key benchmarks for entering the second phase of the TAP should include irreversible progress on strengthening the rule of law and a track record on fighting impunity, corruption and crime through an independent judiciary, along with settled bilateral disputes and effective implementation. The second phase would proceed with the remaining chapters and a robust economic development programme, and in this context a new financial instrument – an accession financial facility – should replace the current IPA to channel support for accession reforms and economic development.

Key milestones

- 1) Launch the TAP with a political decision to open accession negotiations with Albania, Macedonia, Kosovo and BiH not later than 2020.
- 2) Prioritise efforts to address the WBs' bilateral disputes, internal political/institutional deadlocks (e.g. BiH) and other disputes, such as Kosovo's status, the Kosovo–Serbia dialogue, Macedonia's name dispute, and border disputes.²⁶ Establish an EU contact group under the lead of the High Representative to fast-track progress and ensure enforcement in practice of agreements within clear deadlines.
- 3) Given the 'different speeds' of WB countries' accession negotiations and challenges related to the rule of law and economic development, WB group accession is unlikely.

²⁶ A BIEPAG Policy Brief on "Removing obstacles to EU accession: Bilateral disputes in the Western Balkans" offers a set of instruments to enable such a process (see http://www.punetejashtme.gov.al/files/userfiles/Policy_brief_-_Bilateral_Disputes_study.pdf). This paper, however, argues that the complexity and nature of bilateral disputes, including those involving EU members, require the setting-up of an EU contact group and a clear 'deadline' for reaching and enforcing related agreements. As some of the disputes (Greece–Macedonia) are already being or may be addressed through other international instruments, the High Representative and EU contact group should support such efforts and facilitate consensus.

While it is fair to encourage ‘competition’, no WB country should be allowed to become an EU member without enforcing agreements on bilateral disputes.

- 4) Equip the TAP with an adequate financial instrument (replacing the current IPA) to boost economic growth and capabilities, as well as to support implementation of accession reforms.

The TAP should commit the EU and WB countries to carry out accession negotiations and reforms as per the following **timeline**:

- Reach agreement on all bilateral and other open issues within five years (2023).
- Ensure full implementation of agreements on bilateral disputes and related issues not later than 2025.
- Establish rule of law and economic governance benchmarks to be met by all WB countries as a condition to move further with EU accession negotiations.
- Complete EU accession negotiations with all WB countries and prepare for full ‘absorption’ of the region not later than 2030. Without prejudice to these deadlines, any of the WB frontrunners may accede to the EU before 2030 if it meets, on time, the condition for resolving ‘bilateral disputes’ (with full implementation by 2025) and concludes negotiation chapters on the basis of clear progress in achieving benchmarks.

The CEPS Engage Fellowship Programme

CEPS launched the ENGAGE Fellowship Programme with the support of the Open Society Initiative for Europe (OSIFE). This tailor-made Programme connects academic, civil society and think tank actors from Central and Eastern European and Western Balkans countries with EU-level policy debates. It consists of a one-year programme providing a set of trainings, study visits, public events and a policy brief writing exercise. It culminated in the active participation of the selected fellows in the 2018 CEPS Ideas Lab.

The CEPS ENGAGE Fellowship takes a Rule of Law approach to the policy domains of Rights, Security and Economics.

The CEPS ENGAGE Fellowship Programme is coordinated by the CEPS Justice and Home Affairs Unit and counts with the involvement of several CEPS Senior Research Fellows from this Justice and Home Affairs Unit (Mr. Sergio Carrera), the Economic Policy Unit (Ms. Cinzia Alcidi) and the Foreign Policy Unit (Mr. Steven Blockmans).

For the period 2017-2018, five highly-qualified Fellowship members were selected:

- Ms. Petra Bárd, Visiting Professor, Central European University / Senior Researcher, National Institute of Criminology / Professor, ELTE School of Law, Budapest, Hungary
- Mr. Fisnik Korenica, Senior Research Fellow, Group for Legal and Political Studies, Pristina, Kosovo
- Mr. Marjan Nikolov, President, Centre for Economic Analysis / Docent, International Slavic University, Skopje, Former Yugoslav Republic of Macedonia
- Ms. Małgorzata Szuleka, Lawyer & Researcher, Helsinki Foundation for Human Rights, Warsaw, Poland
- Mr. Gjergji Vurmo, Programme Director and Researcher, Institute for Democracy and Mediation, Tirana, Albania





ABOUT CEPS

Founded in Brussels in 1983, CEPS is widely recognised as the most experienced and authoritative think tank operating in the European Union today. CEPS acts as a leading forum for debate on EU affairs, distinguished by its strong in-house research capacity and complemented by an extensive network of partner institutes throughout the world.

Goals

- Carry out state-of-the-art policy research leading to innovative solutions to the challenges facing Europe today
- Maintain the highest standards of academic excellence and unqualified independence
- Act as a forum for discussion among all stakeholders in the European policy process
- Provide a regular flow of authoritative publications offering policy analysis and recommendations

Assets

- Multidisciplinary, multinational & multicultural research team of knowledgeable analysts
- Participation in several research networks, comprising other highly reputable research institutes from throughout Europe, to complement and consolidate CEPS' research expertise and to extend its outreach
- An extensive membership base of some 132 Corporate Members and 118 Institutional Members, which provide expertise and practical experience and act as a sounding board for the feasibility of CEPS policy proposals

Programme Structure

In-house Research Programmes

Economic and Finance
Regulation
Rights
Europe in the World
Energy and Climate Change
Institutions

Independent Research Institutes managed by CEPS

European Capital Markets Institute (ECMI)
European Credit Research Institute (ECRI)
Energy Climate House (ECH)

Research Networks organised by CEPS

European Network of Economic Policy Research Institutes (ENEPRI)
European Policy Institutes Network (EPIN)