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RECHT BERATUNG WEITERBILDUNG

Editors:

Andreas Kellerhals, Tobias Baumgartner, Corinne Reber

European Integration Perspectives in Times of Global Crises

13th Network Europe Conference
Athens, 19 – 22 June 2022



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Western Balkans – Integration perspectives

Jelena Ceranic Perisic

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I. Introduction

At the Thessaloniki Summit in 2003, the European Council declared that the future of the Balkans was within the EU.¹ This political commitment by the heads of the state and prime ministers of the EU countries was understood as a strong incentive and a promise that the future of the region, within the EU, would be stable and prosperous.² However, 19 years after Thessaloniki Summit,

¹ <https://ec.europa.eu/commission/presscorner/detail/en/PRES_03_163>.

² Kmezcic, M., Recalibrating the EU's Approach to the Western Balkans, European View 2020, pp. 54-61.

the Western Balkan countries – apart from Croatia – are still a long way from achieving full EU membership. Therefore, at the Council's meeting in November 2019, there was a common understanding of the usefulness of examining the effectiveness of the accession negotiation process.

Consequently, on 5 February 2020, the European Commission issued Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions proposing a new enlargement methodology named “Enhancing the accession process – A credible EU perspective for the Western Balkans”.³

From the beginning of the new millennium, events at the global political level have affected both the EU and the WB countries. Those events that could be qualified at the same time as challenges and determinants of the integration process, are: three waves of enlargement in the last two decades, economic crisis, refugee crisis, Brexit, Covid 19 pandemic, and ongoing Ukrainian crisis. The complexity of the situation has led to a stalemate of the EU integration process.

Since the accession prospects of the Western Balkans countries have remained blurred, this paper presents an attempt to examine the broader context of European integrations of the Western Balkans, i.e., to analyse the perspectives of integrations through the prism of challenges that this process is facing. These challenges, which are at the same time the determinants (milestones), are under an umbrella of broader foreign policy development. They are all connected and mutually conditioned. Therefore, they cannot be analysed in isolation, but in interplay, i.e. as part of a mosaic.

For the purpose of this paper, three groups of challenges are identified and the paper's structure follows them. After short introductory notes (Part I.), the paper gives a brief overview of the challenges that the EU has been facing for the last two decades (Part II.). Thereafter, the challenges of Western Balkans countries' integrations are examined (Part III.). Finally, the paper focuses on challenges of a new enlargement methodology (Part IV.).

³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions, Enhancing the accession process – A credible EU perspective for the Western Balkans, COM(2020) 57 of 5 February 2020.

II. Challenges of the European Union

In the last two decades, the European Union has been facing a series of problems that affect its internal situation, including the enlargement policy. Since three waves of EU enlargement have taken place (2004/2007/2013), the EU faced a certain *enlargement fatigue*. In 2008, the EU faced the biggest economic crisis since its foundation. In 2015, the migrant crisis began. This migrant crisis is considered to be the biggest global refugee crisis of our time. In 2016, United Kingdom decided to leave the EU. At the beginning of 2020, global pandemic caused by the Covid-19 virus hit the whole world. Finally, the year 2022 is marked by the Ukrainian crisis, which is still ongoing.

Given that the EU crisis includes several different but related crises, it is often called poly-crisis.⁴ Each component, i.e. the aspect of this crisis is complex in its own way, and none of these crises have been substantially overcome. Therefore, the overall picture is even more complicated.

Taking all this into account, it is not surprising that the European citizens have lost faith in EU structures and in the EU as a project in general. The democratic deficit poses a serious problem and a great threat to the future of European integration process.⁵

The integration process is not related only to the enlargement policy and integration mechanism, but it is also influenced by numerous external factors. For the purpose of this paper, all the challenges that the EU has been facing in the last twenty years can be divided into so-called internal challenges – dis(integration) challenges and external challenges.

i. Internal challenges – (Dis)integration challenges

When it comes to the internal challenges, which are also qualified as (dis)integration challenges, two completely opposite processes can be distinguished: *enlargement fatigue* and Brexit.

⁴ <https://www.newpactforeurope.eu/documents/new_pact_for_europe_3rd_report.pdf?m=1512491941>.

⁵ The term 'democratic deficit' refers to a sense of the ordinary EU citizen of being disconnected from the EU institutions and its decision-making process.

a) *Enlargement fatigue*

From the very beginning of the EU integrations, it was clear that the idea of connecting European countries is much broader than the association of six countries in terms of production and trade in coal and steel. It was an open organization whose goal was primarily the economic connection of the countries of Western Europe, and then the creation of the Single market. Later those ideas were extended to other forms of integrations and the door was open to a larger number of Member States.⁶

On May 1, 2004, ten countries joined the EU: Poland, the Czech Republic, Slovakia, Hungary, Estonia, Latvia, Lithuania, Slovenia, Cyprus, and Malta. It was the biggest enlargement in the history of the EU integration process. On January 1, 2007, Romania and Bulgaria also joined the EU. Finally, on July 1, 2013, Croatia joined the EU. “Whereas previous enlargement rounds had each added a small number of generally well-prepared new members, the ‘big bang’ accession of 2004/2007 comprised ten post-communist countries that had only recently transitioned towards democratic governance and market economies.”⁷

The preparation for the accession of these countries took a lot of time, resources and generally was exhausting for the Union on various levels. Consequently, the European Union has been facing a certain *enlargement fatigue* ensuing from the most recent enlargement waves in the first decade of the 21st century. Therefore, the willingness of the EU Member States to accept the Western Balkans countries in the European community of nations should also be taken into consideration.⁸ All these factors affect the efficiency of the EU enlargement process.

⁶ Kosutic, B./Rakic, B./Milisavljevic, B., *Uvod u pravo evropskih integracija*, Beograd 2015, p. 171.

⁷ Wunsch, N./Olszewka, N., From projection to introspection: enlargement discourses since the ‘bing bang’ accession, *Journal of European Integration* 2022, pp. 1-22, p. 3, doi.org/10.1080/07036337.2022.2085261.

⁸ Rabrenovic, A./Ceranic, J., *Alignment of the Serbian Law with the aquis communautaire – priorities, problems, perspectives*, Belgrade 2012, p. 312.

b) *Brexit*

In the referendum held on June 23, 2016, the electorate of the United Kingdom (UK) voted to leave the European Union. It was the first time in the history of the European integrations that one country decided to leave the EU. Brexit arrived at a time when the Union was facing a multi-year crisis which contributed to the complexity of the situation.

The process of withdrawing from the EU was foreseen for the first time by the Lisbon Treaty. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.⁹ A Member State which decides to withdraw shall notify the European Council of its intention. In the light of guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with the State, setting out the arrangements for its withdrawal, taking into account the framework for its future relationship with the Union.¹⁰

The negotiations between the EU and the UK on the terms of withdrawal, as well as on the framework for future cooperation, were conducted carefully and in detail. Since the UK joined the EU half a century ago, their economies have been closely linked. The geographical and economic interdependence of the UK and the EU is a reality, in other words, the UK can leave the EU but cannot move out of Europe.¹¹ The same may be applied to economies of the UK and the EU.

Negotiations on the terms of the UK's withdrawal from the EU were completed in December 2019, and the UK officially left the EU on January 31, 2020. However, the entire process of negotiations on terms of withdrawal has put an additional burden on the EU and its fragile enlargement policy. It seems that Brexit had consequences for some candidate countries and the people's support for European integrations in general.¹²

2. External challenges

In last two decades, many external factors have had an impact on the European Union, and consequently on its integration policy: economic crisis, refugee crisis, Covid 19 pandemic and ongoing Ukrainian crisis.

⁹ Art. 50, para. 1 TEU.

¹⁰ Art. 50, para. 2 TEU.

¹¹ <<https://www.bruegel.org/report/europe-after-brexit-proposal-continental-partnership>>.

¹² See below, III.2.

a) *Economic crisis*

The global economic crisis hit both the EU and its Member States. Although the crisis started as economic one, it affected all segments of the economy and society.

In the first years of the crisis, Member States primarily focused on how to avoid the worst possible consequences, applying mostly *ad hoc* measures. Therefore, they completely neglected the implementation of the necessary structural reforms at both the EU and national levels. “From a pragmatic perspective, this may have been a rational way of dealing with the crisis, in the absence of a ‘textbook’ that decision-makers could turn to for guidance and given the lack of consensus between and within Member States. As a result, in most cases, the EU has only been able to address the symptoms of the crisis then to tackle their multiple root causes.”¹³

Therefore, the EU is facing the profound collateral damage caused by the poly-crisis at national, European, and global level. These unintended political, economic, social, and societal consequences limit the ability of the EU to take more assertive measures to address the fundamental causes of the crisis.

b) *Refugee crisis*

The phenomenon of a massive movement towards Europe of migrants and refugees from the Middle East, particularly from Syria in 2015/16 has been described as the worst refugee crisis of our time. This unforeseen mass influx situation put European solidarity to the test, both among receiving and transit countries, as well as towards refugees themselves. Although the necessity of formulating a common European response was recognized early on during the crisis of 2015, a comprehensive common policy was not implemented.¹⁴ The response to the crisis can be characterized by an imbalance between solidarity and security.¹⁵

¹³ <https://www.newpactforeurope.eu/documents/new_pact_for_europe_3rd_report.pdf?m=1512491941>.

¹⁴ Ceranic Perisic, J., Migration and Security – with a Special Emphasis on Serbia as a Transit Country, in: Kellerhals/Baumgartner (eds.), Challenges, risks and threats for security in Europe, Zurich 2019, pp. 43-64, p. 51.

¹⁵ <https://www.newpactforeurope.eu/documents/new_pact_for_europe_3rd_report.pdf?m=1512491941>.

The lack of intra-EU solidarity has been a major source of tension between EU countries, not only casting doubts over the future of Schengen, but having wider negative impact on cohesion within the EU. “Sharing the burden of refugee management is a litmus test for European solidarity”.¹⁶

The governments of the EU Member States tried to respond effectively to the crisis, but it was difficult to reach a compromise because of the deep differences between their views. Two polar opposites remain irreconcilable: those who claim that Europeans have a moral, human, and legal obligation to support those in need of help and accommodation, and those who claim that Europe must protect itself from the large number of people trying to reach the European continent.

c) *Covid 19 pandemic*

The pandemic caused by the Covid-19 virus has kept the world in lockdown for many months, having significant impact on all aspects of life. One can provide insights into major changes of social reality – the international order, the understanding and realization of human rights and freedoms, the functioning of the political life and political institutions, the use of modern technologies in business, economic flows and people’s preferences, the way of performing various jobs and activities of public servants, etc.¹⁷ Consequently, the European integration process itself will inevitably also be modified.

d) *Ukrainian crisis*

Finally, nowadays we are facing the Ukrainian crisis. The consequences of the Ukrainian crisis are difficult to predict at the moment, especially since the conflicts are still ongoing. Nevertheless, it is certain that this crisis will have a significant impact on all aspects of political and social life not only at European, but also at global level. Therefore, the EU integration process will be largely affected, as well.

¹⁶ <https://www.newpactforeurope.eu/documents/new_pact_for_europe_3rd_report.pdf?m=1512491941>.

¹⁷ Djuric, V./Glentic, M., Rec urednika, in: Djuric/Glentic, (eds.), *Pandemija Kovida 19: pravni izazovi i odgovori*, Beograd 2021, p. 7.

III. Challenges of Western Balkans' integrations

Joining the European Union is in theory recognized as a process in which external conditioning is a key instrument of integration. In this process, the EU conditions membership by fulfilling a number of conditions, among which is the harmonization of the legal framework and practice with the *acquis communautaire*.¹⁸ A particular challenge for countries wishing to join the EU is the fact that the conditions need to be met even before the promised reward – EU membership – is received, while at the same time the EU is the one that sets the conditions unilaterally.

The EU's conditionality has become both more demanding and (partly) more determinate. The EU has broadened the set of conditions, especially by expanding the 'enlargement *acquis*' beyond the regulatory public policy rules and into fundamental state-building, rule-of-law, administrative and economic reforms; it has improved the precision of its conditions in some of these areas; and it has strengthened its monitoring, feedback, and sanctioning mechanisms.

The term Western Balkans has geopolitical rather than geographical meaning. This term refers to Albania and the territory of former Yugoslavia, except Slovenia and Croatia. Originally, this term also referred to Croatia, until its accession to the EU in July 2013. Namely, the EU institutions have generally used the term Western Balkans referring to the Balkan area that includes countries that are still not members of the EU. Currently, these are (in alphabetic order): Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, and Serbia.¹⁹

Not all Western Balkans countries are in the same position regarding EU integrations. For the current position of Western Balkans' countries, three different groups of countries can be distinguished. The aim of this chapter is not to analyse in detail the position of each country in the EU integration process, but to present a brief overview of the current challenges and perspectives of the whole Western Balkans region.

¹⁸ Knezevic Bojovic, A./Coric, V./Visekruna, A., European Union External Conditionality and Serbia's Regulatory Response, Srpska politicka misao 2019, pp. 233-235, p. 233.

¹⁹ The term Western Balkans also refers to Kosovo. However, the Constitution of the Republic of Serbia defines the Autonomous Province of Kosovo and Metohija as an integral part of Serbia, but with "substantial autonomy". Therefore, Kosovo is not included in this analysis.

i. Three groups of countries

The first group consists of countries that have already opened accession negotiations. Those are Serbia and Montenegro, and they are considered as front runners in the region. Serbia currently has 18 opened accession chapters, two of which have been provisionally closed. As regards Montenegro, after a decade of accession negotiations all the 33 screened chapters have been opened, three of which are provisionally closed.

In the second group are countries that have recently, on 19 July 2022, started accession talks after many years of vetoes and disputes. Those are North Macedonia and Albania. North Macedonia was granted candidate status back in 2005. However, for many years North Macedonia was unable to start accession negotiations due to the opposition of Greece, until it changed its name under the Prespa Agreement of 2018. Afterwards, France blocked the opening of accession negotiations with North Macedonia and Albania until a new enlargement methodology was agreed at the EU level. The next obstacle was the Bulgarian veto in 2020. Bulgaria has blocked any progress due to a dispute between the countries over some historical issues. This was overcome after North Macedonia and Bulgaria signed up to a French proposal that would make Macedonian an official language in the EU, change the country's constitution to acknowledge Bulgarians among the nation-building peoples, protect minority rights etc.²⁰ On the other hand, Albania received candidate status in 2014. The dispute between Bulgaria and North Macedonia stalled Albania's bid to become a member, after the EU had grouped both countries together in their accession bid. Albania is expected to start accession negotiations immediately, while North Macedonia will need to change the constitution first by including the Bulgarians among the other nation-building nations listed in it.

The third group includes only one country that has not yet received the status of a candidate country. Bosnia and Herzegovina has been recognized as a potential candidate for the EU integration since 2003. However, its status has not changed since then. It was only in 2016 that Bosnia and Herzegovina submitted its application to join the European Union.

²⁰ <<https://www.euractiv.com/section/enlargement/news/explainer-next-steps-for-albania-north-macedonia-as-eu-agrees-starting-accession-talks/>>.

2. Common challenges

Taking into account the previously mentioned challenges that the EU itself is facing,²¹ the question arises as to how these challenges have influenced the integration process of the Western Balkans countries.

When the 2004/2007 enlargements took place, WB countries all had eyes on Thessaloniki Summit, and they were very optimistic. However, over time that enthusiasm waned. The question is: why? Mainly due to internal political turmoil in the countries, the fragile economies of the WB countries that may have felt the crisis even more than the EU, which was seriously linked to political changes (growth of the opposition parties, decline in public support of EU integration, etc.). “In sum, debates on EU enlargement have shifted from tentative optimism about the EU’s transformative potential towards a growing wariness of the Union’s ability to bring lasting change to its neighbours in recent years.”²²

Furthermore, these countries have not been able to respond to migrant crisis on their own. More or less, they have seen themselves in a project co-financing of solving migrant problems. The EU itself has sent the message to the WB countries, by keeping migrants on the edges of its borders, but in WB countries, that they are not yet ready for full membership.

Brexit has had an impact on the public opinion in WB, in terms of declining citizens’ support for EU integration. Nevertheless, most of the population is still in favour of European integration.²³

Finally, the Ukrainian crisis also has had an impact on the Western Balkans’ integration process. Throughout much of the Western Balkans, economies have remained underdeveloped; dependent on aid, loans, and remittances; and prone to high level of state intervention. Moreover, the EU’s unfinished business in the Balkan, coupled with diminished economic membership incentives, has opened the door to various political, economic and security alternatives.²⁴ This observation refers specially to Chinese financial investments, that occurred after the global economic crisis.

²¹ See [above II](#).

²² Wunsch/Olszewska, p. 13.

²³ Recent stats show that 57% of citizens in Serbia is in favour of EU integration.

²⁴ Bieber, F./Tzifakis, N., The Influence of External Actors in the Western Balkans: Linkages and relations with non-Western countries, in: Bieber/Tzifakis (eds.), *The Western Balkans in the World*, London 2019, pp. 1-14.

In addition, WB countries have their own issues, which remain open in the long run, hindering their accession to the EU. There are two key issues in this regard that should be addressed. One is the status of Kosovo and the other is the political situation in Bosnia and Herzegovina. Its constitutional framework has stopped the war, but the question is how much it provides a basis for normal functioning of the state, and its capacities for EU integration.

Nevertheless, the WB countries have indeed made some commendable attempts to improve bilateral relations, although this does not seem like a major step forward from the European Union's perspective. In this context, the following should be mentioned: Macedonia has agreed to change the name of its country to North Macedonia.²⁵ Since the conclusion of the Brussels Agreement, Serbia has shown a fairly cooperative attitude towards the normalization of relations with Kosovo, which is a basic condition for the EU accession. Also, despite its neutral status, Serbia developed cooperation with NATO. Montenegro has been relatively successful in overcoming a serious political crisis, shifting the focus of domestic political issues from identity to economic development. Although the political situation is unstable, Albania has followed the same path.

3. Open Balkan initiative

These efforts resulted in the creation of the Open Balkans initiative, which implies respect of essential European values and European way of life. The Open Balkan was initiated in 2019 by the leaders of Albania, North Macedonia, and Serbia. It is an economic project aimed to establish free movement of goods, services, people, and capital in line with the EU Single market. In other words, the aim of the Open Balkan is to facilitate trade between members, remove barriers, allow workers to move and employ freely, goods and services to cross borders without delays and allocate the investments more efficiently. Border controls among three countries are planned to be removed by 2023. From June 2021 to June 2022, these three countries signed three Memorandums of understanding and ten interstate agreements.²⁶ Therefore, regardless of the modest progress of WB countries in last two years in the process

²⁵ See above, III.1.

²⁶ <<https://pks.rs/open-balkan-sporazumi/potpisani-sporazumi>>.

of European integrations, either individually or regionally, the creation of the Open Balkans initiative is an important step towards building stronger regional cooperation.²⁷

The latest initiative of the French President Emanuel Macron on geopolitical union seems to correspond to such tendencies in the Balkans. In his speech given on the occasion of the Conference on the Future of Europe he raised the question about the organization of Europe from a political perspective and with a broader political perspective than the European Union, proposing the creation of a European Political Community.²⁸ This new European organization would allow democratic European nations that subscribe to European core shared values to find a new space for political and security cooperation, cooperation in energy sector, in transport, investments, infrastructures, the free movement of persons and in particular of youth. Joining would not prejudice future accession to the EU necessarily, and it would not be closed to those who left the EU. It would bring Europe together, respecting true geography, on the basis of its democratic values, with the desire to preserve the unity of continent and by preserving the strength and ambition of integration.²⁹

On the one hand, the WB countries, through numerous, and from their point of view painful compromises, have shown an exceptional degree of cooperation. On the other hand, it is up to the European Union to determine whether this level of cooperation is sufficient. But it should be kept in mind that that compromises that express cooperation, which are not accompanied by the opening of certain perspectives, can fail, and instigate some latent conflicts. One can recall an old wisdom which says that the relationship between two sides depends on the one that is more developed in every sense, and in this context, it is not the Western Balkans.

²⁷ Kovacicova, H., Western Balkans Regional Common Market. What Lessons Can Be Taught from EEA? – A Case Study from Public Procurement, *Strani pravni zivot* 2022, pp. 133-145, doi: 10.5937/spz64-29635.

²⁸ Mirel, P., In support of a new approach with the Western Balkans: Staged accession with a consolidation phase, *European issues* 2022, pp. 1-8, p. 1.

²⁹ <<https://presidence-francaise.consilium.europa.eu/en/news/speech-by-emmanuel-macron-at-the-closing-ceremony-of-the-conference-on-the-future-of-europe/>>.

IV. Challenges of a new enlargement methodology

On 5 February 2020, the European Commission issued a Communication proposing a new enlargement methodology named “Enhancing the accession process – A credible EU perspective for the Western Balkans”.³⁰ This methodology presents a step towards overcoming the impasse in the EU enlargement process triggered by the inability of the Council to open accession negotiations with North Macedonia and Albania in October 2019. France conditioned the opening of negotiations with North Macedonia on the adoption of a new methodology.³¹

The new enlargement methodology refers primarily to North Macedonia and Albania. However, it is clearly stated that proposed changes can be accommodated within existing negotiating frameworks, ensuring a level playing field in the region. Namely, negotiating frameworks for Serbia and Montenegro, two countries that have already started accession talks, will not be amended, but the proposed changes could be accommodated within the existing frameworks with the agreement of these two countries. Both Serbia and Montenegro accepted a new enlargement methodology.³²

Despite successive reforms (such as the new approach on the rule of law, the focus on the fundamentals under the Commission’s Western Balkans Strategy from 2018), the process needs to be better equipped to deal with structural weaknesses in the Western Balkans countries, in particular in the area of fundamentals. “It is of major importance to build more trust among all stakeholders and to enhance the accession process and to make it more effective.”³³ A new enlargement methodology sets out concrete proposals for strengthening the whole accession process. The overall aim is to enhance credibility and trust on both sides and yield better results on the ground.

To achieve the objectives, the new methodology relies on four criteria and accompanying legal instruments.

³⁰ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Enhancing the accession process - A credible EU perspective for the Western Balkans, COM (2020) 57 final.

³¹ See above, [III.1](#).

³² *Ceranic Perisic, J.*, Prospects for Integration in the Western Balkans, in: Kellerhals/Baumgartner (eds.), *Current Challenges of European Integration*, Zurich 2021, pp. 95-113, p. 102.

³³ COM (2020) 57 final.

1. Four criteria and accompanying legal instruments

The four criteria provided by the new enlargement methodology are: more credibility, a stronger political steer, a more dynamic process, and predictability (positive and negative conditionality). To meet each of these criteria, the methodology provides legal instruments. To ensure more credibility stronger focus should be put on fundamental reforms. For a stronger political steer, a new methodology provides high-level political and policy dialogue. To inject further dynamism into the process and to foster cross-fertilization of efforts beyond individual chapters, it is provided that the negotiating chapters will be organized in thematic clusters. These clusters follow broad themes such as good governance, internal market, economic competitiveness, etc. Finally, to meet the fourth criteria, predictability, both positive and negative incentives are envisaged, i.e., possibility of closer integration, increased funding and investments and sanctions.³⁴

As for the novelty of the instruments envisaged by the new methodology, the fact is that they are not completely new. The focus on the rule of law within the accession process cannot be characterized as a novelty. In recent years, the Council's and the Commission's documents concerning the Western Balkans have repeatedly emphasized that the focus of accession negotiations should be on the rule of law. Regarding the regular holding of intergovernmental conferences, some aspects of this instrument are already known. However, the possibility for representatives of countries in the region to participate as observers in the key EU meetings on topics that are essential to them, is a novelty. As for the grouping of negotiating chapters into clusters, this instrument is undoubtedly new. It seems that it could contribute to speeding up the negotiation process, but only on the condition that some secondary issues in less important chapters do not impede the whole cluster.³⁵

2. Instrument of positive incentives

To make the accession process more predictable, a new enlargement methodology envisages instruments of positive and negative incentives. As regards positive incentives, if countries move on reform priorities agreed in the negotiations sufficiently, this should lead to:

³⁴ COM (2020) 57 final.

³⁵ <<https://www.bruegel.org/2020/02/can-the-european-union-overcome-its-enlargement-impasse/>>.

- Closer integration of the country with the European Union, work for accelerated integration and “phasing-in” to individual EU policies, the EU market and EU programs, while ensuring a level playing field.
- Increased funding and investments – including through a performance-based and reform-oriented Instrument for Pre-accession (IPA) support and closer cooperation with international financial institutions (IFIs) to leverage support.³⁶

This new instrument of positive incentives is controversial on various levels.

a) *Novelty*

The possibility of closer integration of a country with the European Union is not a complete novelty. Closer integration is just one of the modalities of differentiated integration, a phenomenon that has always existed in European integration. Numerous manifestations of differentiation derive from the Treaties and from secondary law. Special regimes, derogations, exceptions, and safeguard clauses are to be found in the Treaties right from the start of the integration process.³⁷

The history of European integration testifies that whenever the external borders of the EU have been changed, in terms of increasing the number of Member States and consequently its diversity, the discussion on differentiated integration has been intensified. In this context, differentiated integration, based on the flexibility concept, should be taken as a new principle and a new tool for responding to differences in the enthusiasm and capabilities of the Member States to take on new tasks of policy integration.³⁸

Comparison of the mentioned instrument of closer integration with the already known mechanism of enhanced cooperation provided by Treaties, brings to the conclusion that the key difference between them lies in the fact that the possibility of closer integration and “phasing-in” to individual EU policies and the EU market is offered without full EU membership. This is a real novelty in the EU integration process. Such a possibility has not been offered to any country in accession process so far.³⁹

³⁶ COM (2020) 57 final.

³⁷ Ceranic, J., Differentiated integration – a good solution for the increasing EU heterogeneity?, in: Kellerhals/Baumgartner (eds.), *Multi-speed Europe*, Zurich 2012, pp. 13-26, p. 13.

³⁸ Wallace, H., Flexibility: A Tool of Integration or Restraint on Disintegration?, in: Neunreiter/Weiner (eds.), *European Integration after Amsterdam, Institutional Dynamics and Prospects for Democracy*, Oxford 2000, pp. 175-191.

³⁹ Ceranic Perisic, J. (2021), p. 110.

As regards the EU Single Market, the question arises whether it is possible to participate in it without being an EU Member State? If one looks at the modalities of participation on the EU Single Market, one can find already existing different modalities of participation in the EU Internal Market without full EU membership.⁴⁰

At this point one may recall the case of Switzerland, but not in order to compare the position of Switzerland within the Single market with the possibility of closer integration offered to the WB countries, but to shed light on different modalities of participation in the Single market (without full membership) that have already existed within the EU.

In terms of legal position regarding the EU *acquis*, the Swiss participation within the EU Internal market could be qualified as a type of closer integration or integration at its own speed.⁴¹ In its relationship to the European Union, Switzerland follows the so-called *bilateral approach*.⁴² Instead of a comprehensive integration, specific areas of mutual concern are regulated through a framework of traditional international treaties and for a very limited purpose only.⁴³

b) *Feasibility*

However, the instrument of closer cooperation offered by a new enlargement methodology is not challenging because of its novelty, but its feasibility. The possibility of “phasing-in” to individual EU policies, the EU market and EU programmes for the Western Balkans countries has opened a few practical questions. First and foremost, it remains to be seen how this “phasing-in” will operate in practice, especially when it comes to the decision-making process. Does it mean that the candidate country will be allowed to participate in the decision-making process in certain EU policies and to vote in the Council and in the European Parliament? Or does it mean that the representatives of that country will participate only as observers in the [III.1.](#) mentioned EU meetings?

⁴⁰ Visekruna, A., *The access to the EU financial market for the companies from non-member states*, in: Duic/Petrusevic (eds.), *EU and comparative law issues and challenges* (ECLIC), vol. 2, Osijek 2018, pp. 656 – 671.

⁴¹ Kellerhals, A., *Switzerland’s relationship with the EU: integration at its own speed*, in: Kellerhals/Baumgartner (eds.), *Multi-speed Europe*, Zurich 2012, pp. 147-164.

⁴² At present, this convolute of treaties comprises more than 100 agreements.

⁴³ Kellerhals, A./Baumgartner, T., *A different neighborhood policy: Switzerland’s approach to European Integration*, in: Kellerhals/Baumgartner (eds.), *EU Neighborhood Policy – Survey and Perspectives*, Zurich 2014, pp. 271-287, p 272.

One may recall the model of participation of EFTA countries (Norway, Iceland, and Liechtenstein) in the EU's Internal market without being members of the EU. These countries do not formally participate in the decision-making process. As a compensation for their absence from the formal decision-making stage in the Union, the Agreement affords them extensive room for consultations during the preparatory stage of the legislative process in the EU.⁴⁴ In this regard, it is not realistic to expect that the WB countries, within the framework of closer cooperation, could gain more than the EFTA countries in terms of participation in the decision-making process.

One of the dilemmas also concerns the sustainability of closer integration in individual EU policies, the EU market and EU programmes over time. Is it feasible that the candidate country participates partially in certain EU policies or only in some aspects of the EU Internal market? And for how long?⁴⁵ A new enlargement methodology does not provide any answer to these important questions.

c) *Insufficient finances*

Last but not least, the financial aspect of this instrument is controversial. Although a mechanism of benefits and sanctions is very welcome, it did not retain the French proposal to commit the structural funds/cohesion funds to pre-accession:

“The new method has therefore been deprived of a powerful financial incentive for reform. Because it will not be the 14.2 billion euro in budgetary aid to the Balkans from the IPA program between 2021 and 2027 that will lend credibility to the approach. Bulgaria, which is similar in size to Serbia, received almost six times more than the IPA allocated to the latter in the period 2014-2020. Admittedly, one is a member of the Union and the other is not. But the needs are the same. Such a difference will also increase the gap between members and candidates. And the rule that billions should be allocated to the new member at once is an economic and budgetary aberration. Therefore, even if revised, this negotiation process alone will not be sufficient to restore the credibility of the European Union, to stem emigration and external influences, or to help resolving disputes.”⁴⁶

⁴⁴ <<https://www.efta.int/~media/Files/Publications/Bulletins/eeadecisionshaping-bulletin.pdf>>.

⁴⁵ Ceranic Perisic (2021), p. 111.

⁴⁶ Mirel, p. 6.

V. Concluding remarks

The Western Balkans' integration perspectives move in the following coordinates: the future of the EU itself; the outcome of the war in Ukraine; and the effectiveness of a new enlargement methodology. Despite its shortcomings, a new enlargement methodology, coupled with some additional financial support, can contribute to reinvigorating the accession process.

In this regard, and primarily bearing in mind deficiencies in terms of financing, some scholars have suggested a new approach based on three principles: ending the binary system of limited pre-accession assistance and then massive post-accession funds once a member; progressing towards accession in stages according to reforms achieved, with each stage giving access to increased funds; establishing a consolidation phase at the end of negotiations before full membership.⁴⁷

In times of increasing global challenges, divisions and various political, economic, and financial alternatives, prospect for integration of Western Balkans might be “a geostrategic investment in a stable, strong, and united Europe”.⁴⁸

The Havel-like slogan “Europe as a Task”,⁴⁹ chosen by the Czech Republic as the motto of its Presidency of the Council of the EU in 2022 is perceived not only as an opportunity to reflect together, but [III.1.](#) all as a call for accountability and determined action based on the values that European conscience requires Europeans to pursue. If Europeans want to live up to the expectations of this historical moment, the European triple challenge is to: rethink, rebuild and repower Europe.⁵⁰

⁴⁷ Lazarevic, M., *Away with the Enlargement Bogeyman*, EPC 2018, pp. 1-12; Mirel, P., *European Union – Western Balkans: in support of a revised negotiation framework*, *European Issues*, 2018, p. 1-8; Mirel, pp. 6-7.

⁴⁸ COM (2020) 57 final.

⁴⁹ In 1996, Czech President Václav Havel, considered the future of European continent in his speech, entitled *Europe as a Task*, stressing that the tasks ahead of Europe deserve careful and thorough reflection.

⁵⁰ <https://czech-presidency.consilium.europa.eu/media/fk3pihaw/eng_priorities.pdf>.